

MONDAY JANUARY 15 1996

Start the week with...

防装

William Dawkins Japan's new hand on the tiller This Week, Page 7



Radio days Signal change for developing world Media Futures, Page 11

Olympics 2004 Candidate cities tell half the story Sport, Page 12

US engineering groups 'produce

more than UK rivals'

World Business Newspaper

US precision engineering companies achieve productivity two-thirds higher than their UK com-petitors but with less skilled workers, according to the UK-based National Institute of Economic and Social Research. An NIESR study published today also suggests US productivity is 25 per cent higher when compared with Dutch competitors. It cites large economies of scale in American plants as the main reason for the sharp productivity gap. Page 16

Chrysler sharsholders express concerns: The intentions of dealmaker Kirk Kerkorian, whose privately-owned Tracinda group controls 15 per cent of US car company Chrysler, have emerged as one of the main concerns in talks between Tracinda and Chrysler's biggest shareholders. Page 17

Russia extends hostage deadline: Russia gave Checken gunmen another night to free 70 hos-tages being held at Pervomatekoye in Dagestan after they ignored an earlier ultimatum. Page 2

Telecom groups 'underestimate' Internet: Major telecommunications operators underestimate the threat from the Internet, according to London stockbrokers Durlacher. Pege 6; Media Fatures, Page 11

China warns UK on boat people: China warned Britain it must take responsibility for the resettlement and repatriation costs of the 21,000 Vietnamese boat people remaining in Hong Kong. Page 3

lowa debate focuses on Forbes: The national televised debate from lowa by the nins Republican candidates for the US presidency was dominated by attacks on contender Steve Forbes and his belief in a flat income tax. Mr Forbes said he was setting the agenda for the campaign. Page 16; Mistrust abides in Iowa, Page 4; Editorial Comment, Page 15

President Monem to pursue third term: President Carlos Menem of Argentina intends to seek a third presidential term, from 2003, but he intends to respect the constitution by not running for re-election in 1999, Page 4

British Airways has asked five aircraft manufacturers to submit bids to supply up to 60 regional jets. BA said the order could be worth more than \$1bn. Page 16

Three charged over Rabin murder: Yigal Amir, who confessed to killing former Israell prime minister Yltzbak Rabin, and two other men were formally charged in a Tel Aviv court with conspiracy to murder. Naming names, Page 4

Gramada, the UK leisure company, tried to strike a deal which could have given it voting control of hotel group Forte for just £50m whatever the outcome of its £3.8bn (\$5.85bn) hostils bid. Page 17 ;

Euro-bank head rejects recession fears over Emu

By Peter Norman in Bonn Andrew Fisher in Frankfurt and Lionel Barber in Brussels

Mr Alexandre Lamfalussy, the president of the European Monetary Institute, has rejected the idea that Europe is heading for a recession that would jeopardise European monetary union.

His remarks follow conflicting viewe from German politicians over the weekend about the likely impact of a widespread economic downturn on progress towards Emu, scheduled for January 1 1999. Mr Gerha

Gerhard Schröder, the Social Democratic prime minister of the state of Lowsr Saxony, called for the introduction of the single European currency to be postponed and a renegotiation of the Maastricht Treaty.

But at the weekend the German government stood solidly by Emn and the Maastricht timetable. Mr Helmut Kohl, the chan-cellor and leader of the Christian Democratic Party, told a gathering of the CDU leadership near Bonn there was no question of delaying Emu.

In an interview with the Financial Times, Mr Lamfalussy, the head of the forerunner of the planned European central bank, admitted there had been an economic slowdown in Germany and the rest of Europe.

"But what makes me rather less pessimistic than the current mood is the fact that I don't see any of the traditional early warn-

Lamfalussy optimistic over German economic slowdown

ing signs or indicators of a busi-ness cycle downturn," he said. smaller countries could start There was no worsening of profits or corporate indebtedness and these had been the single most important elements in every business cycle downturn for the past 150 years, he said. Last weak, Germany reported e sharp rise in unemployment in December. Together with the vir-tual stagnation of the economy in

the past six months and the country's failure in 1995 to keep CDU growth package . Emu's sprightly defender Page 15

Government bonds recordPage 17 Threats to recovery its public deficit below the Maastricht Treaty limit of 3 per cent of

gross domestic product, this unleashed a welter of speculation that Emu might be delayed. But Mr Lamfalussy said that Germany was capable of meeting

the entry criteria set in the Maastricht Treaty "perhaps already this year and certainly next year"

Emu "is indispensable for political reasons", was "not that far away economically". Its main problem of an excessive public sector deficit was manageable, he

Nuclear disaster N-reactor

Emu as planned in 1999. In e radio interview, Mr Theo Waigel, German finance minister and leader of the CDU's Bavarian sister party, the Christian Social Union, warned that anybody questioning Emu risked trigger-

would lead to a further upwards valuation of the D-mark, threat-ening German exports and jobs. Bnt, in an interview with today's issue of the weekly magazine Der Spiegel, Mr Otmar las-ing, a member of the Bundesbank council and its chief economist, said the setting of deadlines for Emu in the Maastricht Treaty

was a policy "with risks that should not be underestimated". Making Emu the pacemaker for political union in the European

Union had been "to put the cart before the horse" and was far from optimal. "The real problem" was whether sufficient time remained to arrange a successful start to the single currency and single monetary policy. in his interview, Mr Lamfal-

ussy warned that an indefinite delay to Emu "would be a political shock", jeopardising EU progress in other areas of policy. However, he did not rule out a temporary hold-up.

commits

By Emiko Terazono in Tokyo

Tokyo on Saturday morning.

a sodium coolant leak.

er-up.

suicide



Poll position: Socialist candidate Jorga Sampaio who gained an emphatic victory in yesterday's Portuguese presidential election against Social Democrat Anibal Cavaco Silve

Socialist Sampaio wins in Portugal's presidential poll

By Peter Wise in Lisbon

Mr Jorge Sampaio, the socialist candidate, was voted president of Portugal yesterday, defeating his conservative adversary. Mr Anthal Cavaco Silva, by a clear margin.

The victory comes four months after the election of a Socialist government, confirming the Socialists as the dominant force in Portuguese politics. It is the

expected to end the long political career of Mr Cavaco Silva, who warned that his defeat would lead to a dangerous concentra-tion of power in the bands of Socialists.

Mr Sampaio, until recently mayor of Lisbon, was backed by Mr Antonio Guterres, the prime minister, whose Socialists defeated Mr Cavaco Silva's centre-right Social Democrats (PSD)

urbane Lisbon lawyer, would be "a guarantor of political stability and effective government". The Socialists are four seats short of an overall majority and risk being defeated in parliament by a combined vote of opposition parties on the left and right.

The backing of a Socialist president, who has the power to dissolve parliament and call an early general election, could be vital to the government as it

Page 2 -----Page 19

France, whose membership of

Lox, Page 16

Steel output 'to remain constant's Steel production in Europe, the US and Japan is likely to fall by 5 per cent this year, according to a leading forecaster. But the decline will be offset by growth in developing countries in Asia, leaving global output unchanged. Page 4

Queel's float boosts investoorp profits: Net profits at Bahrain-based investment group Invest-corp rose 38 per cent to \$70.3m in 1995 after the flotation of Italian fashion house Gucci. Page 18

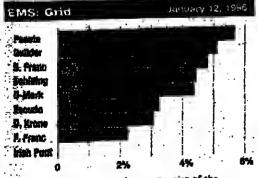
Vietnam party chief urges action on debt: Vietnam risks becoming a debtor nation unless it repays the money owed to international creditors and increases domestic investment, Communist party general secretary Do Muoi said. Page 3

Greak bank sell-off a priority: Greecs's central bank has wiped a stain off its reputetion by restructuring the Bank of Crete, a private Greek bank struggling to recover from o \$200m embezzlement scandai in the late 1980s. The government has made privatising the bank a priority. Page 2

Couples many in invatory block: Eight Talwahese couples got married inside a luxurious Im public lavatory which was designed and built by one of the couples in Taichung.

Crickets South Africa beat England by seven wickets at Pretoria in the fourth one-day interna-tional. The home side scored 276-3 in 48 overs after England hit 272-8. England trail 3-1 in the seven-gams series after losing Saturday's match.

Records and the position of the EMS grid, in spite of a 20 basis point cut in short-term interest rates. Against e backdrop of a generally weaker D-Mark, the only change to the order was the escudo climbing above the Danish krone. The spread between strongest and weakest currencies was little changed. Currencies, Page 25;



The chart shows the member currencies of the exchange rate mechanism measured against the weakest currency in the system. Most of the currencles are permitted to fluctuate within 15 per cent of agreed central rates against the other members of the echanism. The ecceptions are the D-Mark and the pullder which move in a 2.25 per cent band.



threat 'greatest since cold war'

By John Lloyd in London

The threat of a nuclear catastrophe, including a terrorist attack, is greater than at any time since the height of the cold war and is now tha biggest security risk facing the west, a team of top US scientists has warned. Because of the leakage of weap-

ons-grade nuclear material from countries in the former Soviet Union, the potential for mass elaughter has increased rether than diminished since the cold war ended, say the researchers at Harvard University's Centre for Science and International Affairs.

A report by the team, led by Professor Graham Allison, a con-**Bichard Lugar: strong backing** for report's conclusions sultant to the US Defence Department and a former assistant tration and its allies in the hope of improving the funding for defence secretary, is the most detailed of e series of warnings delivered in the last year by US combating the dangers. and other officials. the report warms that: • Russian storage fecilities for weapons-grade fissile material,

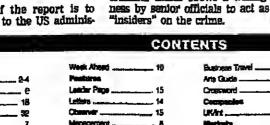
Beer fond of its claws Page 4

Couched in grim language, it says that in spita of the warn-ings, the issues of nuclear insecurity - which he largely in Russia - are being addressed slowly or not at all. "Huga uninventoried quanti-

ties of weapons-usable material are stored and transported under conditions of extreme insecurity, while Russia undergoes convulsive change ... Without US assis-tance, trouble is virtually certain," the scientists warn. Though the report, to be pub-

nuclear theft and smuggling. lished next month, will have no official status, its conclusions are strongly aupported by Senator Richard Lugar, a contender for the US Republican presidential nomination who has featured them in his campaign, and by Mr Sam Nunn, the retiring Democratic senator and security

expert. The aim of the report is to deliver a joit to the US adminis-



ei - -

Kanin

Basiness Trave Arts Guide -Crossword -

-- -- --

LONDON · LEEDS · PART · PRANKFORT · STOCKHOLM · MADRID · NEW YORK · LOS ANGELES · TOKYO

portrayed a man driven to the The demand for nuclear matebrink by non-stop work. He was said to have been tormented by rial, both on the part of radical states like Iran, Iraq and North Korea, and of terrorist groups is high and could be well funded. failure to get to the bottom of the cover-up and by the harm his It is not difficult to obtain, inquiries would do to colleagues transport or smuggle the mateand the government corporation rial, and cases where nuclear for which he worked for 26 material has been discovered in years. He died the day after criminal bands ebows a willingattending a news conference at

In nearly 300 pages of evidence,

much of it the product of arms

dismantled under various agree-ments, are in some documented

cases less well guarded than standard industrial plants.

• The transportation of this

material by rail and road, passing from control of one agency to

The living conditions and

morale of many of the 1m workers in the Russian "nuclear archi-

pelago", and of the security

forces guarding the nuclear sites

and transportation, are low and

present a temptation to assist

another, is highly insecure.

Continued on Page 16

· · · · · · · · · · ·



probe man first time since the return of democracy in 1974 that Portugal's voters have chosen a president from the same ranks as the ruling party. Mr Cavaco Silva's campaign

beadquarters acknowledged defeat last night as state television forecast that Mr Sampalo, a The suicide of a senior Japanese former Socialist party leader, official who was investigating a would win 52 per cent of the vote, against 48 per cent for Mr Cavaco Silva, a former prime minister. leak last month at the country's newest unclear reactor bas shocked the industry and is Mr Sampaio's victory was

increasingly unpopular towards the end of his 10 years as prime minister.

in a general election last October. ending a decade of conservative rule. As well as enthusiasm for Mr Sampaio himself, the victory was seen as reflecting support for the minority Socialist government and disapproval of Mr Cavaco Silva, s tough-minded economist whose government had grown

During the campaign, Mr Gnterres said Mr Sampaio, an

prepares to implement spending cuts in an effort to meet the European Union's convergence criteria for economic and monetary union.

Mr Sampaio, who succeeds fel-iow Socialist president Mario Soares, said Mr Cavaco Silva planned to set himself up as a counterweight who would obstruct and undermine the Socialist government.

End of an era, Page 2



NEWS: EUROPE

The Volkswagen car company is to

create 1,000 jobs this year in return

Mr Hintze added that the CDU also

wanted to cut coal subsidies between

2000 and 2005 to allow time for

restructuring the economies of coal

The party's agenda included lower

business taxes, including abolition of

the local trading capital tax and

the wealth tax as it affected compa-

It also wanted to give special tax concessions to those founding com-

panies in the prodoction industries

for lower overtime payments.

CDU agrees package to boost jobs and growth

mining areas

nies

By Peter Norman in Bonn

24.

The leadership of the governing Christian Democratic Union bas adopted a four-point programme as the basis for a package of measures to tackle Germany's soaring unemployment and falling growth.

Mr Peter Hintze, general secretary of the CDU, the senior partner in the governing coalition, said the party agreed over the weekend that the package should focus on cutting labour costs, easing husiness taxation, lowering subsidies (notably in the coal industry) and promoting the foundation of new companies and strengthening the capital base of existing ones. Chancellor Helmut Kohl told the meeting at Mayschoss in the Eifel

the Bundestag, the lower house of hills near Bonn that 1996 would be a parliament, on February 8. key year for the government. Mr Kohl - speaking after a week in trade unions and employers for job which official figures revealed a near creation in return for wage restraint stagnant economy and unemployand sympathised with the "alliance ment at just under 10 per cent -pledged that growth and jobs had for jobs" proposed by Mr Klaus Zwickel, head of the JG Metall trade become the government's "highest union. Mr Hintze noted that every priority" one percentage point increase in wages added DM18bn (£8.1hn) to

Details of the package will be hammered out in meetings involving the business costs. coalition partners, trade unions and employers between now and the end jobs" idea produced its first success. and some service sectors because

EUROPEAN NEWS DIGEST

Tensions grow in Chechnya

The five-day stalemate between Russian authorities and Chechen hostage-takers dragged on yesterday, amid fears the

crisis is likely to end in a bloody shoot-out. Five months ahead of scheduled presidential elections, the hostage drama is viewed as a critical test of Russian President Boris Yeltsin's ability to lead the country, and most analysts say he has taken a hard line. This trend has extended to Kremlin politics, with the weekend resignation of one Mr Yeltsin's senior liberal aides. Mr Sergei Filatov had been the head of the presidential administration and one of the leading liberals in Mr Yeltsin'a entourage.

Chechen gunmen yesterday defied a Russian deadline to hand over the estimated 116 hostages seized last week. Russian authorities said they would give the Chechen fighters. besieged in the village of Pervomaiskoye, one more night "to think things over". Chrystia Freeland, Moscow

Kinkel plea over Bosnian Croats

Mr Klaus Kinkel, the German foreign minister, yesterday called on Croatia to bring to heel its Bosnia proxies in an attempt to defuse tension in the divided city of Mostar.

Mr Kinkel was visiting Mostar after several shooting incidents this month between Moslems and Croats in the city in south-western Bosnia threatened to undermine their federation, the basis for the Dayton peace agreement.

Mr Kinkel, whose country wields great influence over Zagreb, said: "The federation must live," and issued a two-week deadline for the two communities to demarcate their administrative boundaries in Mostar. Laura Silber, Sarajeva

Soros in Russian Internet plan

In a tentative vote of confidence in the Russian economy, Mr George Soros, the American financier and philanthropist, yesterday announced a new internet project in Russia and said be had begun investing in the volatile country after pulling out most of his holdings in 1994.

Mr Soros said he planned to invest \$1.5m (1975,000) in an internet project to connect Russian hospitals, museums, schools and scientific institutes to the international computer super highway. Russia's strong scientific and mathematical tradition has made the country quick to adopt the latest computer technology, but its primitive telephone lines have held hack the development of a national computer network.

But Mr Soros also warned that Russia's investment climate ahead of June presidential elections was "extremely precarious" and sald a Communist victory in the poll could force him to reconsider his Russian investment strategy. "If

Italy takes Dini resignation in its stride

Parties must choose between reforms and early elections, writes Andrew Hill

talians are so accustomed

of the month, when the measures

are due to be finalised by the cabi-

net. They would then be debated in

Mr Hintze said the CDU looked to

At the weekend, the "alliance for

to political volatility that they treat the start of a government crisis almost as though it is a formal step in the constitutional process. That may be why, when Mr Oscar Luigi Scalfaro, Italy's president, accepted the resignation of Mr Lamberto Dini's technocratic government on Thursday, financial markets were unmoved. Many commentators expressed relief that at ernment duriog the EU last the parties would have to presidency. make up their minds between

forming a broad-based government to pursue constitutional reform and holding early elec-Neither Mr Scalfaro nor Mr Dini wanted it to happen like this. They would have preferred that the government -

backed by the centre-left parties in parliament - survive at limited least until June, when Italy's six-month presidency of the European Union ends. When Mr Dini first offered his government's resignation on December 30, the president refused it and asked parliament to decide on the next

As Mr Dini said in his short resignation speech, the parties did reach some consensus during the two-day debate on the government's future. They agreed that the administration had run its course; that they were broadly favourable to constitutional reform, aimed at Crisis may slow stabilising Italy's volatile politics: and that it would be better to maintain a stable gov-

But Mr Dini had already seen the writing on the wall. He stepped down before parliament could vote on a resolution calling for him to resign. tabled by the ceotre-right parties and backed by the Marxist left. From now on, he is only a caretaker prime minister, and ernment his government's powers are

Mrs Susanna Agnelli, Italy's foreign minister, was keen to underline last week that this did not jeopardise the EU presidency. But the crisis may slow down plans to privatise Enel. the electricity producer, and Stet, the telecoms holding com-

pany, in the first half of this year. One of the most able members of the cabinet, Mr Rainer Masera, has already announced his resignation as budget minister and returned to his job as managing director of Imi, the banking group.

down plans to privatise Enel and Stet this year

From Mr Dini's point of view, however, his decision to pre-empt a formal vote in parliameot means that he cannily remains one of the leading candidates to head the next gov-Mr Scalfaro will begin formal discussions on the way for-

ward today and he is determined to take his time. His programme for meetings with former presidents, speakers of both houses of parliament, and party leaders will take up the whole week. The president may well

forward - to sound out the parties on the likelihood of an agreement on reforms. The theory is that improvements to ctoral laws, changes to the bicameral parliament and moves to strengthen the role of the prime minister will stabilise the Italian political system. Mr Massimo D'Alema, leader of the former communist Dem-ocratic Party of the Left (PDS), was irritated by the centre-right's tactical victory in last week's parliamentary debate. but he is prepared to talk to Mr Silvio Berlusconi, leader of the centre-right, about reforms. Mr Berlusconi was a vocal advocate of early elections all last year, but in late December said he was ready to explore the possibility of a broad-based government which could carry through reforms, Mr D'Alema

each new company created an aver-

However, the Bonn government

has only limited powers to deliver

such a package. Once agreed by the cabinet, the legislative parts of the package will need support from the

opposition Social Democratic party.

which controls the Bundesrat, the

second chamber of the Bonn parlia-

ment. Lowering labour costs will

depend on separate agreements

Mr Hintze believed the worsening

of the economy and widespread

awareness of Germany's high costs

could spur agreement on the mea-

between employers and unions.

age of four jobs.

even if the main political appoint a non-partisan figure groupings are prepared to talk to one another about reform, Mr Carlo Scognamiglio, the speaker of the upper house of they are split internally about parliament is one name put how to proceed. For instance, Mr Gianfranco Fini, who heads the right-wing National Alliance, is at loggerheads with Mr Berlusconi on reform. To add to the uncertainty, the immediate future is mud-

sures, notably among the SPD-led

in the Bundestag. Over the weekend,

tion partners by maintaining its

demand for a cut next year in the 7.5

per cent "solidarity surcharge" on

income taxes. The Welt am Sonntag

newspaper reported that three FDP

members of parliament would vote

against the 1997 budget later this

year if it did not cut the aurcharge.

state governments.

died by judicial issues. Mr Berlusconi's trial on corruption charges is scheduled to begin in Milan this Wednesday and last week he also had to hit back against reports that he and his brother were under investigation for trying to stop Mr Antonio Di Pietro, the popular former anti-corruption magistrate, entering politics. A senior judge, Mr Berlus-coal pointed out, had found no

evidence in tapped phone calls to justify such a charge. But the controversy - fuelled by the publication this weekend of transcripts of Mr Di Pietro's phone calls to political backers is a reminder that in Italy, it is always risky to leave a polit-lcal vacuum unfilled for long. See Lex comment

Sampaio victory ends era But the government is also faced with internal stresses that could threaten Mr Kohl's 10-seat majority in Lisbon the small liberal Free Democratic party continued at loggerheads with its CDU and Christian Social coali-

By Peter Wise In Lisbon

The victory of Mr Jorge Sampain, the Socialist candidate, in yesterday's presidential election, marks the end of a conservative era that advanced Portugal economically but failed to fulfil voters' aspirations for social change. The defeat of Mr Anibal

Cavaco Silva, the conservative candidate in the presidential race, comes hard on the heels of the Socialists' general election victory over his centre-right Social Democrats (PSD) last October, ending Mr Cavaco Silva's 10 years as prime ministe

Mr Sampaio's victory is largely an expression of sup-port for the minority Socialist government amid fears that Mr Cavaco Silva could bave undermined it in a political crisis. But the election was also partly a referendum on the conservative era that Mr Cavaco Silva epitomised.

"If the election were two months later, my victory would be certain," Mr Cavaco Silva said during the campaign, acknowledging that the unpopular last years of bis government would weigh strongly against him. "I may lose the election but the judgment of history will be in my fevour."

Mr Cavaco Silva, 56, was virtually unknown when he first came to prominence as an austere finance minister 12 years ago and led the PSD to two overwbeiming general election victories in 1987 and 1991. After vowing last week that be would never fight another election, his meteoric political career appears to be at an end. He is to resume his post as an economics professor.

By contrast, Mr Sampaio. also 56, is a life-long politician who began as a student leader of opposition to the anthoritarian Salazar regime. His career peak, until yesterday, was his short-lived leadership of the Socialist party that ended with the election defeat by Mr Cavaco Silva in 1991. He went on to become mayor of Lisbon. Although not a charismatic figure. Mr Sampaio embodies a new mood in Portugal in

which issnes such as education, bealth, bousing, the environment and culture bave

Test drive for Italian motor insurance

Royal's launch of direct selling in Lombardy today is part of a wider European trend

Trom a distinctive white d pinecone-sbaped build-ing just off the Milan ring-road, Royal Insurance of the UK today launches what it describes, in a play on the insurer's initials, as a rivoluzione inglese (an English revolution).



to have the courage to seek such an agreement with their opponents on the right. This sounds promising, but

Part of the reason has been tremendous competition for insurance policy sales. Most of the larger French insurers have forged alliances with banks, providing a powerful

urged supporters on Saturday

there is a change in president, there could be a substantial Chrystia Freeland change in Russia."

Polls back Spain's opposition

Three opinion polls yesterday confirmed the centre-right Popular party's expectations of winning Spain's March 3 elections, but differed markedly on how closely the ruling Socialists were trailing behind.

The PP's lead varied from 9.7 points, in El Mundo, to 5.5 points, in La Vanguardia. El Mundo's poll gave the PP 40.6 per cent of the vote, enough for 167-174 seats, just short of an outright majority. The Socialists obtained 30.9 per cent and 115-120 seats, against 159 in the outgoing parliament. La Vanguardia's poll, bowever, gave the Socialists 34 per cent and 135-145 seats against the PP's 39.5 per ceot and 155-165 seats. If this proved right. Catalan and Basque nationalist parties could decide who governs. David White, Madrid

eign companies to move into "direct" selling of motor insurance in Italy. Mr Clive Mendes, managing director, says many Italians are interested in an alternative to the traditional networks of local agents which dominate the sector. His staff promise quotes by telephone (12 minutes is the

Royal is one of the first for-

target for an initial estimate), simple "common-sense" poli-cies, and speedy and efficient claims assessment. For a more personal service, Royal's Milan headquarters bas a drive-in basement, where clients can meet a uniformed team of sales

hy insurers to set up tele-phone-based insorace operations which cut out hrokers or agents and their com-DUSSIODS.

The spur has been European Union directives which since 1994 have swept away many restrictions on policy terms and rates. That has eocouraged insurers to price policies individually by computer and to find ways of offering cheaper rates to less risky customers. Much of the focus so far has been on relatively simple motor insurance products but attention could shift in the

people, inspectors and claims

Royal's initiative - aimed.

for the time being, only at the

prosperous region of Lombardy

is part of a European treod

future to household and other personal lines including life insurance.

Like Royal, which also has a direct operation in Barcelona, many of the pioneers are from the less regulated UK market where direct selling is wide-spread and fiercely competi-

Royal hopes to take Milan by storm with its English revolution campaign

Direct Line - now the UK'a largest private motor insurer set up an operation in Spain in 1994 in conjunction with Bankinter, the Spanish bank. Sun Alliance, another UK-

based insurer, is tackling the large German market, despite local warnings that Germans' stroog affinity to insurance agents is unbreakable. "Similar claims," says Mr Graham Treharne, manager of Sun Alliance's overseas direct

operations. "would have been made about brokers in the UK 10 years ago." in Italy, Royal's Mr Mendes said: "The insurance market is going to become quite dynamic over the next few years." Asslcurazioni Generali - the country's biggest insurance com-

pany - maintains it was one of the first to spot the opportunities. It launched a national telephone insurance operation. Genertel, in 1994, to coincide with liberalisation. Mr Giovanni Liverani, marketing manager, said the development of new methods of insurance selling would bring "more competitiveness and greater effifew years.

ciency into the market" Bnt neither Generali nor Royal - which insures 500,000 vehicles through Lloyd Italico. its existing agent-based Italian subsidiary - is abandoning traditional distribution networks just yet. "Agents will remain the major players [in ltaly]." said Mr Liverani.

anz. Europe biggest insurer, Mr Emilio Galli-Zugaro said Their caution is prohably wise. Insurers agree establish-ing direct selling in continental setting np a telephone sales operation similar to those of rivals "is oot un the agenda". Europe will be harder than in the UK.

in France, where the UK's Sun Alliance has recently ods are not immune. In a telling development, Allianz has bought a direct operation, the hegun selling travel accident record is unimpressive. While insurance via interactive com-French insurers, such as AGF puter systems. Commissions and GAN, have launched potentially promising teleare still paid to local agents, who sell other products to purphone sales operations in counchasers and offer follow-np tries such as Spain and Ireland, they have had difficuladvice, hnt the customer is, in effect, huying "direct". If such schemes spread to other prodties doing so at home.

According to the French Feducts, the houndary between eration of Insurance Compadirect and conventional sales nies, just 4 per cent of life sales rontes would become hlurred. and 3 per cent of non-life pollcies in 1994 were generated by direct methods. Those figures have been static in the past

network of independent insurance brokers. Perhaps the biggest struc-

alternative distribution net-

work. France also has a strong

linked closely to most of the

large insurers, and opposing

the growth in telephone sales

In Germany some insurance

as a threat to their market.

face-to-face advice.

taken prominence over what is now seen by many voters as tural challenge to direct sales, however, has come from the the "nonvean riche" materialism of the Cavaco Silva era. "general agents", a network of insurance sales intermediaries Mr Cavaco Silva, beading

the first stable government Portugal had known since the return of democracy in 1974, was able to implement far-reaching reforms that have transformed the country's physical appearance.

۰.

2.4

12

- 1 A

.....

m.,

÷е.,

Ch

HO

6y Walling C.

•.

Sec.

Res. Maria

^{ан} н. ң

4

the second

 $v_{\rm bu}$

apere a Alexan

60.0

the second

 $W_{Ab, pb}$

20

Sec. . .

98 A. J.

Conta

1796 8 ken -

H tora Victory) $\exp\{g_{i,j}\}$ Nagga

¹⁵н г.е.,

P ...

511

 $\Lambda_{\rm eff}$

See.

¹⁰ 20 (2)

N/e

9 I V

By demonstration

hite faite dagen 1

He , Helat Area (***....)

Nation: Information

Vogana i s

Rentering (NII)

urtar a dele

changar an changar an thag team

· · · ·

 $\mathcal{M}_{1,1}$

observers argue that products sold by telephone are perceived After taking Portugal into wbat is now the European Union in 1986, be channelled a as cheap and over-simplified and that deregulation has buge inflow of structural funds into the building of new increased the need to seek roads, bridges, hospitals and The country's dozen or so direct motor insurers have schools. He launched an ambionly abont a 5 per cent market share. At Munich-hased Allitious privatisation programme that is now moving towards completion and established a sound foundation for economic growth based on low inflation and controlled deficits.

These reforms have been But traditional sales methembraced by the new Socialist government. But Mr Natonio Guterres, the prime minister. has won popularity by adding a social dimension to economic issues.

Mr Sampain has won support for his championing of political tolerance, in contrast to allegations of "arrogance" made against Mr Cavaco Silva The former prime minister denies ever saying "I never make mistakes and rarely have any doubts". But it is a phrase attributed to him that Andrew Hill, is likely to go down in history as an indication of how the Andrew Jack and Cavaco Silva era came to an **Ralph Atkins** end.

end. THE FINANCIAL TIMES Published by The Financial Times (Europe) GmbH. Nibelungenplatz 3, 603/8 Frank-furt am Main. Gernsany. Telephone ++49 69 156 850, Faz ++49 69 396 4481, Telex 416193. Represented in Frankfurt by J. Walter Brand, Wilhelm J. Briasel, Colin A. Kennard as Geschäftsführer and in Loo-don by David C.M. Bell. Chairman, and Alan C. Miller, Deputy Chairman. Share-bolders of the Financial Times (Europe) Colh A. London and F.T. (Germany Advertis-ing I Ltd. London. Shareholder of the above mentioned two companies is: The Financial Times Limited, Number One Southwark Bridge, London SEI 981L GERMANY: Responsible for Advertising: Colin A. Kan-nard, Printer. DVM Druck-Varueb and Marketing GmbH, Admiral Rosendahl-Struste 3, 63753 New-Lemburg formed by Hirriyet International). ISSN 0174 7363. Responsible Editor: Richard Lambert, dv The Financial Times Limited, Number One Southwark Bridge, London SEI 991L FRANCE: Publishing Director: P. Maravigiia, 42 Auc

FRANCE: Publishing Director: P. Maraviglia, 42 Jue La Boetic, 75008 PARIS. Telephone (011 5376 8250, Fax (01) 5376 8253. Printer: S.A. Nord Eduir, 1521 Jue de Cuire, F-59100 Roubuir Cedea I. Editor: Richard Lambert. ISSN 1148-2753. Commission Purtuaire No 67808D. SWEDEN: Purtuale Architector Much Cornery 468

2

5

Bank of Crete sell-off a priority

By Kerin Hope in Athens

Greece's central bank has wiped a stain off its reputation by restructuring the Bank of Crete, a private Greek bank still struggling to recover from a \$200m (£130m) emberziemeot scandal in the late 1980s.

The government has made privatising the bank a priority, a commitment wel-comed by Mr Loukas Papademos, the cantral bank governor. He said: "A lot of work has been done in the past few months on cleaning up the balance sheet. Following the recapitalisation, Bank of Crete is a much healthier institution."

Earlier this month the central bank split off Dr32bo (£87.3m) in assets and liabilities linked with the embezzlement into a separate bank which is to be liquidated. At the same time the solvent bank received a capital injection of Dr43hn from the state.

The restructuring opens the way for the government to privatise Bank of Crete later this year, under a plan to boost competition in the banking sector by selling smaller state-controlled banks.

Bank of Crete is to be offered for sale through a competitive hidding process, following evaluations by two independent advisers

Mr Papademos made clearing up the Bank of Crete affair a priority after taking over as central bank governor in 1994. By then the central bank's five-year mandate to run Bank of Crete had expired, a commissioner appointed by the government to bead the bank had been accused of irregularities and losses were piling up. The embezziement scandal had helped bring down the Socialist government in 1989. It also triggered harsh criticism of the Bank of Greece for failing to uncover the losses during routine checks, and for delaying an official investigation.

The bank's former owner, Mr George Koskotas, is serving a jail sentence for fraud. He was found guilty of emberzling funds equivalent to £130m, some of which he claimed were handed over to Socialist officials in return for political favours. The central bank initially rescued Bank of Crete by providing a special five-year,

acquiring staff who haven't had any interest-free loan of Dr25m and temporarily walving the compulsory reserve years."

requirement under which banks must place a percentage of deposits with the

central bank. Though deposits gradually returned as confidence in Bank of Crete was restored, Greek bankers say the quality of its loan portfolio deteriorated sharply during the central bank's administration.

loans dating from after Koskotas.

Bank of Crete also became less competitive because it failed to take advantage of liberalisation of the Greek banking sector in the early 1990s. While other Greek banks posted strong profits with new products and a boost in foreign exchange operations, Bank of Crete made losses last

FRANCE: year of around Dr5bn. After restructuring, Bank of Crete's assets amount to Dr321bn. Deposits have grown to Dr274bn, while loans total

Dr165bn, including some non-performing To potential buyers, Bank of Crete's

SWEDEN: Responsible Publisher: Hugh Carnegy 448 618 6038. Printer: AB Kvällstithningen Expressen. PO Box 6007, 5-550 06. Jönköping. O The Financial Times Limited 1996. Editor: Richard Lambert. c/o The Financial Times Limited. Number One Southwark Bridge, London SEI 9HL 2 main attraction is its network of more than 80 branches. But as one Greek banker put it: "The down side would be

incentive to do a proper job for nearly 10

TO HEAR **YOUR CHAIRMAN'S** MESSAGE **CALL THE FORTE LINE** 0800 468 602

The Departure of Forte (its are the partorn responsible for this advantisament These Direction continuities to the help of their knowledge and belief, having taken of reasonable take to answe that such sime obstitute information contained in this advantagement is in accordance with the racts and does not omit entring likely to attact the import of such information. The Direction of Force Ro access responsibility accordingly



FINANCIAL TIMES- MONDAY JANUARY 15 1996 -

Children watching a television set in the street

.: ħ ''īħ.'

- Um

. Ny

Beijing switches off television oversupply

Colour tube ventures frozen in bid to rationalise China's electronics industry. Tony Walker reports

n the early days of eco-nomic reform, one of the most telling images of China was of citizens huddled in front of shop windows or in village squares watching a flickering picture on a black and white television. But in a reversal of those times when TV ownership was for the privileged few, China bas heen obliged to take drastic steps to restrain television production to deal with a glut that has bankrupted one producer and is threatening others.

The Ministry of Electronics Industry last week announced that approval would he frozen for proposed new ventures to produce colour TV tubes, and measures were also being drafted to restrain production of colour sets. New projects, or an expansion of existing facilities, would only receive the go-ahead if they were geared solely to export.

The spokesman made it clear that preference would be given to ventures involving foreign participation and large-scale production, and the transfer of advanced technology.

This echoed comments earlier in the week by Mr Zhang Jingqiang, vice minister of electronics industry, who had criticised in a briefing with reporters what he described as a "bot trend" of setting up smaller joint ventures at local level to produce colour televisions without regard for the needs of the market. "We pretechnological co-operation

China, one of the world's leading cotton exporters, was expected to be a net importer for the first time last year, the China Daily reported yesterday, AFP writes from Beijing. At the end of September, cotton yarn exports were 90,200 tonnes, while imports were 112,900 tonnes. The deficit for the full year was forecast at around 40,000 tonnes, the official newspap said. Cotton production in

China fell from 6.26m tonnes in 1984 to 4.25m tonnes in 1994 because of natural disasters and abandonm nt of cotton by farmers for higher-revenue crops with foreign involvement.

The announcement last week that the Shijiazhuang Televi-sion Factory, one of China's larger plants, had been declared bankrupt with debts of Yn296m (\$36.5m) and assets of Yn168m is a sign of the times for local producers whose technology has become outmoded. Other such local manufacturers, especially those whose products are aimed at the lower end of the market, are in trouble.

China last year produced 18m colour television sets, but estimates of TVs smuggled into into account, supply may have much as 30-40 per cent. Demand for colour

laser audio videos, integrated circuit cards and liquid crystal displays.

The television glut is a symp-tom of China'a painful transition from a centrally planned economy to what the Chinese describe as "socialist market system". In the process planning controls have been loosened and local governments have been given autonomy to approve projects up to the value of £19m. This has led to the establish-

ment of a plethora of smaller plants producing a range of electronic items, chief among them TV components. For example, Chinese integratedcircuit factories have capacity of 100m chips a year, compared with demand of just 15m.

Mr. Zhang said last week that supply across the board in the electronics industry had exceeded demand by about one-third, leaving warehouses filled with unsold goods. Production of electronics

items reached Yn230bn last year, a 23.5 per cent jump over the year before. Sales rose 27 per cent to Yn165bn. The industry generated profits and taxes of Yn12bn, up 20 per cent on 1994

While surplus production is the electronics sector's most immediate problem, looming in the country range up to 5m. If the background is China's plan the snuegled items, are taken to reduce tariffs on 4,000 items from April 1. China's average exceeded demand in 1995 by as tariff will come down to about F23 from 35 per cent, odding to Epressures on local industry.

NEWS: ASIA-PACIFIC

Indian deal will not end blackouts

New projects must fulfil 9% annual growth in power demand. Mark Nicholson reports

uccessively last week. Selected power projects in India

ne of ject	Capacity (MW)	Promotor	State
hol	2,184	Dabhol Power	Maharashtra
uthan	655	Guarat Torrent Energy	Guiarat
Jirupadu	218	GVK industries	Andhra Pradesh
evari	208	Spectrum Power Generation	Andhra Pradesh
VEL	250	ST-CMS Electric	Tamil Nadu
alley	2 x 210	Ib Valley Power	Oriesa
estriver	400	Sri Maheshwar Hydel Power	Madhya Pradesh
a West	2 x 210	Mukand	Madhya Pradesh
perumeinalitur	320	Dyna Makwski Power	Tami Nadu
oalore	4 x 250	Mangalore Power	Kamataka
khapatham	2 x 500	Hindula National Power	Andhra Pradesh
uni	2 x 500	Kalinga Power	Orissa

this as a benchmark and

expect it to be matched," says

a UK power executive. "It's

become perpetual renegotia-

Perhaps the worst example is

Such renegotiations are

tion."

They need a congenial atmosphere and we have not been able to create it. We have not been able to create confidence

The problem, Mr Salve suggested, had been the "pernithe case of AES Transpower, a US energy group, which is into cious" politicisation of foreignbacked power projects, exemthe fourth renegotiation of its power contract with the state plified in the Dabhol case. Most power analysts would agree of Orissa. AES has had entirely that this is a factor in India's to reconfigure its three-yearpresent power investmeot malold project to meet cost-cutting demands. Another government aise, but not the only one. review is in progress. Indica-tively. AES's last expatriate One consequence of Maharashtra's politicised and apparently successful efforts to beat manager left India for China down Enron, the US company leading the Dabhol project, on last week. "We can't afford to lock up resources here." he both project and tariff prices said has been to inspire emulation from states elsewhere. Enron's partly a consequence of recent was the only contract to have heen recegotiated after its signing. But seven other "fast track" power projects - those offered central government payment guarantees - have come under similar pressures. "Once a cut is made in one

falls in power generation equipment prices. They also result from state governments' growing savvy in negotiating private power deals - agree ments virtually unknown in India four years ago when talks began on most of the power deals, project, the other states take

ENRON TO CONTINUE WITH DABHOL ARBITRATION

Enron, the US group leading the \$2bn-plus Dabhol power project, will today continue legal proceedings for damages against the state government of Maharashtra, despite declaring it is confident the deal will proceed. Mark Nicholson reports from New Delhi. The state said last week the renegotiated project was to be revived. However, Enron officials said they had not yet received official notice of the

project's revival from the state government and could not cancel the London-based arbitration proceedings until they did. Today's will be the

third arbitration hearing to date. Mr Manohar Joshi, chief minister of the west Indian state, said last week that the project could proceed if Enron cut the project's power tariff to Rs1.86 (52 cents) a unit from an original Rs2.40 and reduced the initial \$2.8bn cost of the proposed plant. If so, "the Dabhol issue is settled." be said.

Enron has said that the tariff appears "achievable" and that it bad proposed cutting the capital cost of the plant during renegotiations last November. The new deal would see the two-phase plant's said it would offer no additional guarantees.

3

The assessment of power bids has also caused problems. Tenders are costed by a mix of both total project cost and fuel prices. But the inclusion of gross project costs has encouraged state governments to attack these totals, usually alleging "cost padding" by foreign companies.

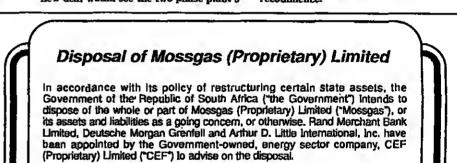
Most problematic, however for all the projects without government guarantees is bow developers can secure financing for contracts signed with the largely loss-making state electricity boards. "International lenders just won't look at SEBs as a viable risk," says one Canadian power executive.

An eventual solution. strongly advocated by the World Bank, is for the SEBs to reform, privatise, set economic and non-political tariffs and install independent regulators. Later this month the pioneering state of Orissa should win final legislative clearance to do just this. But so far only Orissa seems ready to take such politically sensitive steps.

Until further reforms, power analysts believe India will remain a country of vast potential, but with limited immediate promise. No-one foresees a post-Enron opening of the investment floodgates. "You'll see two or three deals closed this year, two or three in '97. maybe three or four in '95, says the director of a UK power gronp. "It's of that

net ontput of 2,015MW rise to 2,184MW but capital costs fall by at least \$335m. Enron said it would also spin off the plant's \$490m re-gasification plant Into a separate joint venture. However, Enron officials have reserved

final jndgment until they receive specific details of the state government's offer. After official state confirmation of the revised deal, the project would still bave to secure further financial and environmental approvals from the Indian central government before work could recommence.



But India's power invest-

ments are also mired in policy

pitfalls and structural prob-

lems besetting the existing

power sector. "There's a clear

recognition in government that

there are major problems with

this policy today," says a west-

ern energy economist. India's government boped.

when it announced its private power plan in 1992, to pump-

prime foreign investment by

offering a select eight projects

guarantees of payments from the state electricity boards,

which in each case are the

direct power purchasers, but

which are mostly insolvent: a

consequence of the politicised

dised electricity to India's

farmers. So far only two guar-

antees have been negotiated.

Negotating these guarantees has proved tortuously complex,

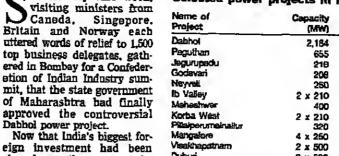
largely because the Indian gov-

ernment is anxious to minim-ise its potential liabilities. For

this reason, too, it recently

including one for Enron.

SEBs offering massively subsi-



revived Debhol deal might restore shaken confidence in India's efforts to draw foreign investment into power. Good news, agreed Mr N.R.P. Salve, India's power minister. and trust." But he swiftly proceeded to the bad, placing the Dabbol project into discomfiting context and explaining why its approval alone would not rescue India'a problematic experiment with

Outou

cleared, was the message, the

problematic experiment with

His ministry's estimates

show the \$2.5bn Dabhol invest-

ment represents just 1.6 per

cent of the investment India

needs to meet its "harest mini-mum" power demands by 2007.

With power demand rising at 9

per cent a year, he told the CII

audience, India would by then need to have added 142,000MW

of generating capacity to the 81,000MW now installed -

requiring investment of

Even this, he said, would

raise India's per capita power

consumption from the present 330kWh a year, among the low-

est rates in the world, to just

500kWh: China's present con-sumption is already 700kWh a

Attracting foreign capital is

india's only choice, he said.

"The Indian government has

no money, the states have less and India's financial institu-

tions can raise only Rs250bn

[\$7bn] for all infrastructure

spending." But, while 245 mem-

orandums of understanding

have been signed between state governments and private

and foreign contractors, prog-

ress on the projects is very

slow". "The investors are very

scared - they don't know what

is going to happen to them.

ASIA-PACIFIC NEWS DIGEST

private power.

\$150bm.

bead.

hetween national enterprises with a certain technological and production scale and large foreign companies," he said.

Rationalisation proposals for the electronics industry mirror in a way those for the car sector, where the authorities are seeking to cut the numbers of producers and in the process encourage establishment of large-scale production units sary to curb production of and less efficient producers.

under the ninth five-year plan :: . Mr Zhang acknowledged this (1996-2000) is estimated at at last week's briefing when he 70m-80m sets, or about 15m e said: "The tariff cuts will year, against planned produce increase imports...competi-tion of 30m sets a year. Over-production of colour: Type China has not released television tubes and televisions details of tariff reduction on

light-water nuclear reactors in North Korea left the South Korean port of Pusan yesterday. The equipment is part of a \$4.5bn deal signed in Geneva in 1994 between Pyongyang and an international consortium under which North Korea agreed to scrap its graphite reactors capable of making homb-grade equipment. The consortium of South Korea, Japan and the US is

reported to be running into funding problems amid debate over what role the European Union should play. Large drilling machines, a mud pump and other equipment

N-plant sent to

The first shipload of equipment for use in construction of two

North Korea

needed for a geological survey were loaded into containers on board a Chinese flagged ship, Yanlong IV. The 1.042-ton vessel was expected to arrive in a North Korean port, believed to be Rajin, tomorrow. The machinery would be taken to Shinpo on the north-eastern coast of North Korea, the site chosen for the two power plants that will be largely South Korean-built. Reuter, Pusan designed and financed.

More tourists visit Vietnam

About 1.3m tourists visited Vietnam last year, 20 per cent more than in 1994, the semi-official weekly Vietnam Investment Review sald yesterday. The paper quoted General Department of Tourism statistics as showing that foreign and domestic tourists spent about \$900m in Vietnam last year. mostly in Ho Chi Minh City (formerly Saigon). About 45 per cent of the city's tourists were foreigners.

Ho Chi Minh City's room occupancy rate last year was about 55 per cent. 10 per cent lower than in 1994, the weekly said. Hotels built hy foreign investors and Vietnamese are tourism industry accounts for \$4.2bn out of the total \$17.7bn in foreign investment approved. Vietnam wants to ettract 1.7m tourists this year and 4m by the 2000. Jeremy Grant, Hanoi

Australia-Russia space deal

An Australian engineering company and a Russian launch services company have signed an agreement to consider establishing an Australian space launch service, Mr Chris Schacht, Australia's construction minister, said. ASC Engineering has signed a letter of intent with Russia's Scientific and Technical Complex to explore the prospects for a launch service at Woomera in South Australia using the Start family of launch vehicles. Reuter, Conberra

Australia is set to move into a surplus on its balance of trade well before the end of the decade as a result of increased exports to consumer markets in Asia, Mr Bob McMullan, Australia's trade minister said yesterday. Reuter, Comberra

wholesale prices, fell to 6.02 per cent in the week ended December 30, from 6.28 per cent the week before, the Ministry of Industry said yesterday. AP-DJ, New Delhi

China warns UK about Hong Kong boat people

By William Barnes in Bangkok

China yesterday warned Britain it must take responsibility for the entire resettlement and repatriation costs of the 21,000 Vietnamese boat people remaining in Hong Kong. Mr Cheng Shousan, head of China's delegation to a UNsponsored meeting on indo-chinese refugees in Bangkok and deputy director-general of the Office of Hong Kong and Macao Affairs, said: "Hong Kong cannot take on any costs this is Britain's responsibil-

đ

1

ity." China reiterated that all boat people must be out of Hong Knng before the 1997 handover of sovereignty. But prospects for resettling the remaining process [of repatriation]." Vietnamese dwindled after demands by the Association of South East Asian Nations that the remaining Vietnamese boat people should be repatrioted briskly, with no deals attached. Asean delegates in Bangkok the year."

interview" to see if they qual-" state, admitted last year's pro-ify for resettlement in the US. posal hy US legislators to screen people in the camps one last time "stopped in its tracks" the international repa-Diplomats said the overwhelming opinion at the closed-door meeting was that, 20 years after the end of the triation plan started in 1989, Vietnam war, it was time to known as the Comprehensive clear out the 40,000 boat people left in the camps dotted around Plan of Action. Asean'a rejection of the US scheme - known as Track Two Asia. Vietnam has been made to understand that if it wishes - to screen returnees in Vietto remain a member of the nam might seem contradictory,

association in good standing lt since it encourages the must co-operate with the repa-triations - at least of the 18,000 migrants to go home by giving them the sweetener of a final Vietnamese in the Asean host chance to go to America. However, the western diplomat said: "they [Asean] don't want countries. The chairman of the meeting, the United Nations High anything that smacks of a deal Commissioner for Refugees's - these countries just want regional director for Asia, Mr Alexander Casella, said: "We're them out." The US must - for internal going to speed up the whole

political reasons - resist any plan that fills TV screens with One senior western diplomat at the meeting said: "I would be very surprised if half the screaming Vietnamese. Its viewa have clout hecause American money funds repatrinumber [of boat people in Asie] ation programmes. But the US may accept a fudge: the practiwere not back by the end of cal difference between Track

rejected an American scheme On Seturday, Mr Winston Two and legal emigration from to give all returnees "one final Lord, US assistant secretary of Vietnam is small.

India's year-on-year inflation rate, as measured by

Vietnam party chief urges debt repayment

By Jeremy Grant in Hanoi

Vietnam risks becoming a debtor nation and a 'wage earner for capital-ists' unless it repays the debt owed to international creditors and increases domestic investment, Mr Do Mnoi, the Communist party general secretary, has said.

His comments, carried by the semi-official weekly Vietnam investment Review (VIR) are the first public demunstration that Hanoi is keen to pay its debts, of which some \$800m is owed to commercial creditors. Negotiations over clearing this amount, known as London Club debt, have dragged on for over a year.

well as through foreign capital. "In order to raise capital we must target our domestic resources... Our present slogan must be capital, capital and more capital," Mr Muoi told a high-level meeting in the Vietnamese capital last week. Although he was not specific about where domestic funds would come from, the World Bank has said that one of the country's top priorities this year should be to tap domestic savings.

Mr Muoi said that, unless party officials found ways to mobilise domestic capital, industrialisation and moderni-

However, his remarks also appear to sation would remain a dream. "Foreign indicate that Hanoi wants to see eco-nomic growth funded domestically as well as through foreign capital. "In bear in mind that, when we borrow, we will have to repay with many condi-tions." Mr Muoi said. in December last year, multilateral donors meeting in Paris agreed to extend Vietnam a further \$2.3bn in loans to help finance the rebuilding of its infrastructure and to modernise its financial system.

Mr Muoi also rounded on "certain branches of government" for ignoring rural development in favour of financing imports of luxury goods. "We should spare this extravagance and instead help eradicate hunger and reduce poverty," he said.

the second se

Although the country's reforms have low-paid agricultural jobs and have seen few benefits from foreign investment. This is likely to be at the top of the egenda when the party meets for a crucial congress around June.

Party hardliners are known to be particularly concerned before the congress about the social side-effects of economic growth in the cities. Hardly a day passes in Vietnam without some reference in the local media to the need for vigilance against what Hanoi considers the negative side effects of economic reforms, such as prostitution, drugs, pornographic videos and even karaoke.

Background

Mossgas was established in 1989 for the production of synthetic fuals from offshore gas. It extracts natural gas and associated condensate from a mining lease in the Bredasdorp basin, off the Southern Cape coast. The gas and condensale are piped in saparata pipelines from an offshora production platform to an onshore plant for conversion to petrol, dlesel, liquid petroleum ges, kerosene, fuel oli, alcohols and gases.

Mossgas owns e mining lease In which the F-A and E-M fields are located. The F-A field is currently in production and is situated 85 km south of Mossel Bay and the E-M field is situated 49 km west of tha F-A field. The proved remaining reserves of gas in the mining lease are approximately 700 billion cubic feet. assuming 80% recovery. Production is currently approaching 190 million cubic feet of gas per day and 10 300 barrels of condensata per day. Other gas prospects have been identified on the lease in the Bredasdorp basin.

The onshore plant is situated 11 km west of Mossel Bay, 391 km from Cape Town, Republic of South Africa, along the Southern Cape coast.

The bulk of Mossgas' 30 000 barrels per day production is currently shipped from a single point mooring at Mossel Bay, whila the balence is distributed directly by road and rail from the onshore plant.

Mossgas has approximately 1 240 employees.

Although the onshore plant is currently utilised to produce synthetic fuels, the existing infrastructura ia well suited to aupport the manufacture of a wide range of petrochemicals from either gas or liquid feedstock. There is a market for natural gas as fuel in tha Western Cape area.

Further Information

Interested parties are invited to register thair interest by Friday, 9 February 1996. Further information will be available at the end of January 1996.

For further information, interested parties should contact:

Grant Stobart: Rand Merchant Bank Limited P O Box 786273, Sandton, 2146 Republic nf South Africa (+27 11) 883-3650 (Tel) (+27 11) 783-0742 (Fax)

Martin Kingston

London 15 January 1996.

۰đ

or Matthew Holt: Deutsche Morgan Grenfell P O Box 7736, Jnhannesburg, 2000 Republic of South Africa (+27 11) 788-5225 (Tel) (+27 11) 788-5290 (Fax)

Deutsche Morgan Grenfeli 23 Great Winchester Street Richard Kent: London, EC2P 2AX United Kingdnm (+44 171) 826-6207 (Tel) (+44 171) 826-6180 (Fax)

CEF is responsible for the contents of this announcement which should not be construed as, and shall not form part of, an offer or solicitation to buy or sell any securities. In connection with its distribution in the United Kingdom, this announcement has been approved by Morgan Grentell & Co. Limited, regulated by the Securities and Futures Authority.

Merchant bank

RAND

MERCHANT BANK

LIMITED

mice number 66/1396

Technical adviser

Arthur D Little

Arthur D. Little International, inc.

Deutsche Morgan Grenfeil

Financial adviser

NEWS: INTERNATIONAL

Sceptical bear ill-disposed to having claws clipped

John Lloyd assesses a report of uncontrollable 'revolution' under way in a Russia still holding nuclear weapons

To the imaginative or nervous mind, Avoiding

Сe.

Nuclear Anarchy is almost 300 pages of terror. The report by a team of top US scientists presents a case for fear. based on a bellef that Russia is undergoing an uncontrollable "revolution", that the country's once all-encompassing security has broken down.

it points to poverty-stricken officials who are demoralised and thus open to extreme temptation - and to the belief that the west has yet to penetrate the resistance of the Russians to co-operation in improving security.

Also, it highlights the Indifference of. In particular, the US Congress and the main western governments to the perceived threat.

Some of these fears are not new, but the report, when published next month, is expected to have a profound impact on the nuclear debate in Washington. The presence of a US former assistant defence secretary. Professor Grabam Allison, at the head of the research team will give extra weight to the report, which is the most extensive assessment vet of nuclear dangers in the streams of material which post-cold war world

The findings come in an election year in the US and Russia. and follow the appointment as Russian foreign minister of Mr Yevgeny Primakov, who has made clear that his policy priority would be to strengthen the country's "great power" status. In the US, at least one presi-

dential hopeful in the Republican party, Senator Richard Lugar, has made the threat of nuclear incident in a disintegrating Russia a central plank of his bid for the presidential nomination. The Russian nuclear arsenal,

some 45,000 weapons at its height in the mid-1980s, has been undergoing reduction by about 2,000 weapons a year since 1986. Commitments already made would, if carried through, mean a total further reduction of 15,000-20,000 weapons, plus another 12,000-13,000 from the former satellite states to the west". and Soviet republics.

This has meant that huge streams of fissile material pass to and fro, between the tens of nuclear facilities, separated by thousands of miles, which make up the Russian nuclear complex. These join the were already passing to and fro

the largely un-inventoried material stored at research. naval and other facilities. Most of this fissile material, estimated at 1,200 tonnes, about twice the amount in the US, is under the control of Russia's ministry of atomic energy, which is fiercely competitive with tha military with which it

for regular refurbishment, plus

is supposed to co-operate. The ministry admits to no oversight by the state agency set up to oversee it and, in the figure of Mr Victor Mikhailov, its minister, is deeply sceptical about western intentions in offering assistance in security. At the heart of this suspicion, says the report, is the view that the country's nuclear complex "is one of Russia's last legitimate claims to a great-power status, and [officials] are understandably reluctant to admit a humiliating inferiority However, other causes are a lack of understanding in Russia of how dangerous the situa-

tion is - compounded hy a similar lack of understanding in the west. This inability to grasp the dangers inherent in the situation, says the report, results in a US Congress unwilling to vote sufficient

St Petersburg

MOSCOW

0

0

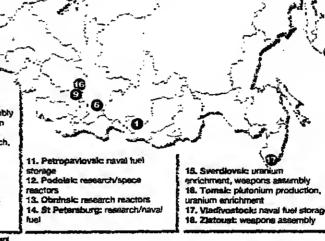
The Russian nuclear archipelago

1. Andersk: uranium enrichmen Archanget: naval fuel storage 3. Arzamas: weapons lab/assemi 4. Chelyabinak: plutonium/tritium production, weapons lab 5. Dimitrovgrad: braeder r MOX fuei 6. Krasnovensk: piutonium production, uranium enrichment

Ð

7. Moscow, 2 meearch reactor ilities, 1 fuel tabrication 8. Murmansk: naval fuel storage Novoalbirsk: fuel fabricatio 10. Penza: weapon assembly

funds to overcome the Russian reluctance to co-operate. Declarations - including that by Mr Louis Freeh, the US Federal Bureau of Investigation



chief, that the issue was "the grammes in place have greatest long-term threat to the accepted a pace which would security of the US" - have not been followed by urgent action. the report warns. The pro-

push substantial improvement into the next century. Hundreds of reports of

nuclear smuggling have been publicised, most of them either hoaxes, mistakes or insignificant. However, among these. half a dozen documented cases - and one case admitted by the Russians - show that somegling is possible, even easy. These show also that demand exists and that Russian borders are porons to a traffic

which is difficult to spot. Even the successes conceal stories of potential terror. The implementation of a secret agreement between the US and the former Soviet republic of Kazakhstan for the former to huy and fly out 600kg of highly enriched uranium from the latter was successful. But it revealed that the stockpile had been "discovered" by Kazakh officials, that Its inventory was inaccurate and that it was stored in "distressingly insecure conditions".

A significant part of the report is devoted to convincing under control. the lay reader thet transporta-tion is not difficult - the mate-

rial is not dangerous to the carrier, it is highly concentrated and thus small quantities are valuable - and that Russian and western borders are policed hy agencies untrained for nuclear detection.

Further, a simple nuclear "gun", similar to the device which was exploded over Hiroshima in 1945, could be made "relatively easily", once the fissile material were obtained. The repercussions of successful nuclear smuggling are

claimed to be hideous. Those states - the large majority of those in the world - with no plans to acquire nuclear arms would be forced to reconsider. once it were shown that radical states, or substantial terrorist groups, had such arms or were likely to acquire them. The action called for essen-

tially depends upon an agree-ment hy the US and other governments that the issue is as nightmarish as the report claims it is. Once that has been accepted, they would have to extend present programmes. and develop new ones, with a reluctant and suspicious Russia so as to bring the situation

Avoiding Nuclear Anarchy, by Graham Allison, Owen R. Cote Ir, Richard A. Folkenrath and Steven E. Miller, forthcoming from the Center for Science and International Affairs, Kennedy School of Government, Harvard University, USA.

Syria critical after peace talks with Israel

Syria yesterday criticised Israel's hard work necessary to reach a comstance in peace talks between the twn countries as Mr Warren Christopher. US secretary of state, wound up his latest shuttle diplomacy in the Middle East. AFP reports from Damascus and Reuter from Jerusalem,

Mr Christopher, ending four days nf talks in Syria and Israel, said on Saturday he was leaving the region "more convinced than ever" that the twn countries were "determined to do the

prehensive peace this year".

radio said in a commentary.

trast to the generally positive Syrian commentaries since Mr Rabin's assassi-Hnwever, Syrtan radio said yesterday: "It is clear that Israeli leaders nation on November 4 and the appointhave no intention of implementing the principles of peace, and are sticking to be formula of fnrmer prime minister Yitzhak Rabin, linking the scale of a withdrawal to the nature of the peace." No such formula existed in UN resolutions on the Arab-Israeli conflict, the

ment of Mr Shimon Peres to succeed Syria's key demand in peace talks is the full withdrawal from the Golan Heights, which Israel seized in 1967 and annexed in 1981. However, Israel wants Syria to agree to a "warm" peace with economic ties and the open-

The radio's tone was in marked coning of horders before committing itself to a full pull-ont.

"Israel is hostile to real peace and UN resolutions hecause it wants to keep (occupied) land and impose its hegemony over the region," state radio

said. The commentary came after Mr Christopher's mission and the announcement that Israeli and Syrian perotiators would resume peace talks

ontside Washington on January 24, to include military experts.



ple, attending the graveside of to hold back from publishing assassinated former prime min-bis name until the Washington ISRAEL

By Julian Ozanne in Jerusalem

His name was widely publicised on the Internet and in foreign publications, and

assassinated former prime min-ister Yitzhak Rabin, with his Post in the US had revealed his faced either blacked out or identity on Wednesday. On Thursday. Israeli newspapers blurred. On Tuesday, the government appointed Rear-Admiral Ami

then quoted the Post. Haaretz even published the Post story with sentences Ayalon, recently retired naval about Mr Gilon's possible commander, as successor. On

Mistrust abides down on the farms in Iowa

Patti Waldmeir finds a US state running its rule over Republican presidential hopefuls

most candidates to forswear any lowans. like many of their compa-triots across the US, the other state's poll. But their keenness to vote is scarcely complain of betrayal. They matched by a fervour about speak of trust, in their governthe candidates. ment and its leaders, and how that trust has been lost in an Instead, in conversations in rural diners and urban coffeeatmosphere of political blckerhouses, on hog farms and grain ing and fiscal indiscipline. farms, and in town hall meet-Iowans listened on Saturday ings, there was resignation and as nine men who aspire to be resentment at the condition of president on behalf of the both politics and politicians. In 1994, that resentment - of "pol-ltics as usual" - drove the Republican party promised various antidotes for the mal-Republicans to big gains in aise: a balanced budget, a flat income tax, a siege economy, lowa in the mid-term congrestougher morality. But the signs slonal elections which brought are that most lowans do not a new radical conservatism to believe any of them is up to the federal Congress. Now. the job. With sad resignation or righteous resentment, they faith in that revolution, too, has faded, and with it the pascomplain of leadership failure. 'slon :and anger which had

confirmed by countrywide opinion polls which show the budget deficit as the political problem most often mentioned by respondents.

It is a simple idea which easily and understandably seizes the imagination of lowans, a frugal people, descendants of a strict prairie Protestantism. Iowa is a linear state. where all the highways run at right angles and where all the cornfields are exactly square. Balancing the budget is an Idea with the same strong, clear lines that Iowans approve.

But the Idea of a balanced budget also raises distrust. Many an Iowa pig farmer will tell you that no successful large farm can be run without debt. Yet lowans do not trust

scrawled on walls across the Holy Land in graffiti. But, for the 10 months that Mr Karmi Gilon served as bead of Israel's Shin Bet, the internal secret service agency, citizens were not formally told his identity. lsrael's tough censorship

laws forced newspapers to refer to Mr Gilon as Kaf, the Hebrew initial of his first name. When he resigned last Monday, Mobat, the evening news on state-run Channel One television, aired a hiography without giving his name.

Mr Gilon's resignation last week stirred dehate about secrecy and censorship, and appeared to end in a partial victory for freedom of information when the government allowed newspapers to reveal the name of his successor.

Newspapers carried several pictures of Mr Gilon, for exam-

Wednesday, the liberal daily address blacked out, presum-Haaretz, with two other dailies, ably on orders from the military censor. published the admiral's name, Then. yesterday, Haoretz in an apparent breach of censorship regulations. The taboo published a full and clear picture of Mr Gilon on Its front

had been broken and all the press had followed the Haaretz page, although again relying on foreign media by using a lead by Thursday. "The period in which this Reuter agency picture. organisation worked in the twi-However, victory for the publight zone has passed," said Mr lic interest is only half-won. Rear-Admiral Ayalon has vowed to keep well away from Hanoch Mamari. Houres: editor-in-chief. "There is a public interest. From a public standthe media. As naval compoint, even if the organisation mander, he once told the army is secret and its people unidenmagazine Bamohane: "We are not in the headlines - that's tified, the head of the organisa-

tion must be disclosed. testimony to our success." But Israelis had still not But the Kaf affair has probahly opened a door which will completely stepped out of the he difficult to shut. Maariv, a twilight zone. They knew the name of the incoming Shin Bet daily tabloid, joined other newspapers on Thursday in an chief, but still did not fully know the identity of Kaf. editorial calling for legislative Israeli newspapers continued reforms on ceosorship. The



Ami Ayalon, new head of Shin Bet, was pictured in the Israeli press after his predecessor (inset) appeared blurred Man plane Rouse

naming of Rear-Admiral Avalon, it said, "has made a mockery of the prohibition on publishing the name" of the head of Shin Bet. Reforms in the law, supported by many Israelis, would

respected Maariv columnist extend the normalisation of Israel's security services said last week.

of economic nationalism and social ultra-conservatism of **Rev Pat Buchanan** candidate of the religious right. And there was an over-taxed suburban couple who chanted the flat-tax mantra of Mr Steve through the Middle East neace Forbes. process. "Anyone who talks about a new Middle East, com-

Some Republicans promised to attend their local "caucus" pletely different from the past, elections on February 12 to can also huild a new secret ser choose a presidential nominee, vice which will integrate itself lukewarm support for individuinto the peace process," a als or not, agreeing it was a matter of state pride and civic

duty to attend. lowans cherish their traditional position as the first Americans to vote in the candidate selection process - they cherish it so much that, when Louisiana announced its intenput balancing the hndget at the tion to vote before lowa, the top of their national political lowa Republican party forced wish list for 1996 - a figure

By Stefan Wagstyl, Industrial Editor

Steel production in Europe, the

Some Republican Iowans, in fuelled the Republican gains. the days leading up to the can-Iowans voted for a quick fix; their national leaders to borrow wisely; they firmly believe didates' weekend debate in what they got was federal front of the local party faithful that Washington will, unless paralysis. restrained, bankrupt their chil-

and television cameras, believed they had found a poli-tician to believe in. An elderly s hog farmer Mr Craig Hill puts it: "A year ago, I would have said farm store owner and his sister that the Newt wave [Speaker fervently approved the gospel Newt Gingrich and his band of radical freshmen Republicans in the House of Representa-tives) would be recorded as one of the biggest turning points in the political history of this country. But now, gosh, we just haven't got much done. Can we really do anything?"

> That sense of near-impotence - that feeling that the federal government in Washington defeats all efforts to control it, reform it, and generally shrink its influence - crosses party lines in Iowa. The resentment it generates is focused power-fully on one issue: the federal budget and the failure of politicians to get it into balance.

Democrats and Republicans

Steel output in Europe,

US and Japan 'to fall'

7.0

6.5

6.0 -

Source: MEPS

Mr Dave Hassebrock, a young Republican who farms hogs and grain in central lowa, and who says giving money to politicians is "only one step above burning it", proudly draws a down-home parailel with the weaning of a young hog: "There's a lot of bellowing

dren with unrestrained debt.

As they make colourfully clear.

they do not trust their political

leaders to run a pig farm.

and squealing that goes on, and that's what's going on now in Washington DC." There will be a lot more "bel-

lowing and squealing" before this election year, which began at the weekend in Iowa, draws to a close in November, lowans are still hoping that they can save politics from the spectacle of much hickering. As Mr E.J. Giovannetti, mayor of the suburban community of Urbandale, reflects: "There is a dire search for a hero."

Argentine president aims at 2003 EAST CHINA FAIR 9.6 中國華東出口商品交易會 The East China Fair, held from 5th to 14th every March, biggest regional fair in China The East China Fair '96 is under ahin of Chine's eight provinces and municipalities; Shanghal, Jiangsu. Zhejlang, Anhul, Jiangzi, Fujian, Nanjing, Ningbo. They have the est superiority of regional economy in China, a to A quarter of GNP in 1994. The partici ton of the joint trade mission of 20 municipalities and provinces such as Beijing. Shandong, Hubel, Sichuan, Shenzhen, etc. Jurther Increases and usi strengt of the Feir. The Fair will display different kinds of pro ducts such as and coreals, foodstuffs, native produce, entral by-products, ios, textiles, silk, germonte, light industrial products, stationery and sporting goods, arts and crafts, embroidery and is, metals and minerals, medicines and neeth products, machinery and equipme and electronics, including the traditional products and the intest products. Apart from commodity trade, processing with supplied motorials, processing with supplied samples, assembling with supplied coments, compen sation trade, joint venture and

rtive projects are also welcome to negotiem

The East China Fair has been held y for five years since 1991. More than 8000 merchants from 100 regions and nations of the world came to the fifth Fair. The export contracts signed hit 21400 million USD then

For detailed into on or the Invitation of the Fair please contact International Trade Promotion Corp. (ITPC).

Welcome to East China Fair '96

Menem to seek third term at top

By David Pilling in Buenos Aires

President Carlos Menem of Argentina Intends to seek a third presidential term, from 2003. when he would be aged 73. But he intends to respect the constitution hy not running for re-election in 1999. In an interview poblished in

the newspaper Clarin yester-day. Mr Menem sought to dispel rumours - eocouraged by a rash of "Menem 1999" posters and T-shirts - that he would try to amend the constitution again so as to allow him a third presidential term. In 1994, be paved the way for his re-election last year to a second term by having the constitation changed.

Politics being the art of the possible, Mr Menem dld not rule out the feasibility of running again in 1999, but said he would prefer "to rest for four years... and then by to return in 2003." Besides, he said. Argentines "would not toler-

ate" a third successive term. Mr Menem also raised the possibility of Mr Domingo Cavallo, economy minister, succeeding him at the presidency. "This seems an excellent idea," he said, conceding that this would mean Mr Cavallo leaving his post next year to begin campaigning. The president's backing of a

ister. Last year, Mr Cavallo came close to losing his job after a serious feod with the president had been set off hy Mr Cavallo's allegations that mafias were operating within the president's Peronist party. Mr Meeem said his economy minister had "calmed down" since those allegations, and had become "much more serene and reflexive", overcoming the "unreasonableness of his character". Officials

possible Cavalio candidacy

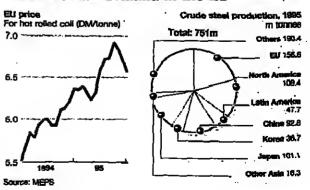
marks an important rap-prochement hetween Mr

Menem and his economy min-

Allegations of corruption

government and the opposition, implicitly accused Mr Menem of presiding over corruption hy saying: "In a presidential system as strong as this one, responsibility natu-

rally comes from the very started cutting orders in the Steel: weaker demand in the EU



toones

first half of 1995 to reduce warebouse stocks, are likely to continue running down their inventories in the first half of 1007

Steelmakers have been hit by the slowdown in car production in the US and Europe and are suffering from weak demand for construction steel In some developed countries. But, once the adjustments in production and stock levais are completed, probably in the first half of the year, there could be a partial recovery in demand and output in the second half

of 1996, says MEPS.

It also forecasts modest increases in output in eastern Europe, where local demand is firm, and in the former Soviet Union, where mills have tried to boost exports, particularly

It expects Chinese output to

rise nearly 3 per cent to 95m

to east Asla. Mr George Charalambldes, steel service manager at WEPS, a US consultancy, says producers should not be too despondent at the flat outlook for 1996 because 1995 was an exceptionally good year for many mills.

£ ----

US and Japan is likely to fall hy 5 per cent this year, as mills cut output to cope with declining growth in demand, according to a leading forecaster. But the decline will be offset by growth in developing countries in Asia, notably South Korea and China, so global steel output will stay unchanged at about 751m tonnes, says MEPS (Europe), a Sheffield consultancy. British Steel, the UK producer, says it expects strong demand from China and other Asian countries, and from cen-

offer evideoce and give the names of corrupt officials", Mr Beliz, whose defection has created turmoil within the

top."

market was affected by excess stocks, developing nations were generally looking forward to further expansion.

MEPS helieves demand in the developed world will be sluggish because users, which

admit that Mr Cavallo has been instructed to maintain a lower profile. were revived last week when Mr Gustavo Beliz, former interior minister, defected from the Percolsts. alleging the tral Europe, to compensate for weaker growth in the EU and entire party structure was corrupt. Mr Menem yesterday demanded Mr Beliz justify such accusations - he "should

North America. Steel industry executives, polled last week by Metal Bul letin, the trade newspaper, said that, while demand remained weak in Japan and the EU

IS O

thics dur

 $\sim 10^{\circ}$ km

DECISIONS, FRIENDS AND MONEY. HOW TO MAKE THEM.

and lonely.

It's not just a question of making the difficult decisions, the ones crying out for an answer.

You've also got to cope with the messy, hard-toget-your-arms-around issues. After all, if you don't make them a priority, they'll just slip through the cracks.

This week, we'll be offering thoughts on some of these issues. At the end of the process, we hope to have put forward some fresh ideas about the role corporate advertising can play in your company's plans. But even if you aren't persuaded, these are issues that deserve a moment's attention.

For example, how do you build and sustain the trust in which a company is $J \cdot J \circ N \in V \in R$ BE EN held – by customers, workers, suppliers, regulators and the public at large?

Trust pays off, in any number of ways. In the day

sometimes make it seem so easy. Cut here, acquire there, then tell the world about it.

5

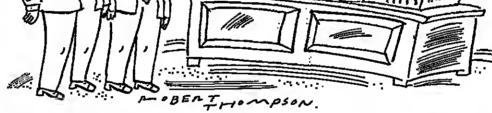
But cutting the wrong things can deal a weak business a death blow. And too many companies have been wrecked by a high-priced acquisition that once looked a neat strategic fit.

On Wednesday, we'll be examining how companies committed to enhancing shareholder value can make sure the world realises what they're doing.

ne way a company creates wealth for its shareholders, its employees, and its business partners is by differentiating itself and its products from their competition.

That's where the problems start. How do you build a corporate image that's distinct from the branding of individual products, but close enough to allow consumers to associate the two? And how do

to day freedom to set your own pricing, with a bit of elbow-room against the competition; in the ability to



n P

competition; in the ability to get your point of view across to the public or with government.

And if, heaven forbid, you're caught up in some serious problem, trust buys you the time and opportunity to set it right.

But trust isn't something you can create overnight. Tomorrow in this space, we'll offer some perspectives on how companies can build and retain trust.

Trust is one of the indefinable ingredients that make it so hard to tackle the issue of shareholder value. Consultants, stock market analysts and, yes, the press one product infecting others through the mechanism of the corporate brand?

In this space on Thursday, we'll be talking about how companies can set themselves apart from their .competitors.

The FT's interest in these issues is straightforward: all of them raise questions of communication. And that, after all, is our business.

If you have any comments on the questions this series raises, or you'd like to talk about the issues of communicating the corporate message, either write to John Makinson, Managing Director, Financial Times, at 1 Southwark Bridge, London SE1 9HL or call him . on +44 171-873 3233. Fax: +44 171-873 3937. E-mail: John.Makinson@FT.com.

Financial Times. World Business Newspaper.

This is the first of a series. Tomorrow: trust.

Internet threat to telecoms 'underestimated'

By Alan Cane

Major telecommunications operators underestimate the threat from the Interoet, the global computer communications system, according to Durlacher, the London stockbrokers.

It says technical developments could leave the operators with an obsolete network worth only the scrap value of the copper in the ground. The paradox is that although operators, including Britisb Telecommunications, should dominate the transmission of traffic on the Internet the "information superhighway" they are failing to do so because they

referendum hint

leader.

ates

encourage.

are poorly structured to exploit the that European operators are proving new technology.

Their greatest difficulty is that telecoms operators run business based on charging for the cost per unit of time used," Durlacher says. The long-term marginal costs associ-

ated with local calls is now, bowever, heading towards zero. In the future charges will be made for content that is accessed rather than the cost of moving the material from the host machine to the users." Durlacher's views are contained in

a 190-page report which claims to be the first substantial European orientated study of the Internet. It says

slow to react to the challenges thrown up by a network where commercial subscriptions are growing at more than 100 per cent a year and which should lead to more than 200m Internet users by 2002.

The UK market alone will grow from £35m (\$53.9m) in value in 1995 to more than £900m by the turn of the century. These challenges include the arrival of software allowing long-distance, two-way voice conversations for the cost of a local call, the possibility that cable companies may to ensure security by encrypting broadcast calls, the telecoms operabecome the chief beneficiaries of internet growth because cable has the tors will be left with an obsolete sys-

capacity to deliver internet traffic at tem, of no obvious value, other than high speed and the arrival of wireless the recycle value of the copper in the transmission to office and home. cables.

NEWS: UK

Durlacher says that BT and other Durlacher thinks this could cause the greatest change in the supply of European operators have been singularly unsuccessful in launching Inter-Internet services arguing that new entrants to the market could not net services. BT had been providing a afford the cost of installing and mainbasic but expeosive text service taining a conventional network. If which was neither ambitious enough the majority of these costs were for enthusiasts or simple to use for beginners. "As the more successful removed by the use of a new technolproviders are showing, it is precisely ogy, a whole new raft of suppliers by offering the cheapest route onto would consider it viable to enter the the net that the largest market can be market," it says. "Once it is possible

built," says the report.

Media Futures, Page 11

UK NEWS DIGEST MPs to launch lottery probe

A full inquiry into the workings of Britain's hugely successful National Lottery is to be launched by a Commons committee.

Mr Gerald Kaufman, the chairman of the national beritage select committee, said yesterday that the full scope of the investigation had not yet been decided. But it is likely to take in issues such as the size of the jackpot, the distribution of money and the level of profits for uperator Camelot.

It may also examine the work of Mr Peter Davis, the lottery regulator, who has come under fire for accepting free flights from a member of the Camelot group.

The review follows a sustained chorus of concero from critics of the lottery about the scale of winnings and the way money has been distributed to the arts and other good causes. MPs will be aware that the lottery has proved staggeringly popular and that the evidence from last week's rollover jack-pot of £42m (\$64.68m) suggests that the public is clearly in favour of such high prizes.

Meawnhile, Labour announced that it is setting up its own group to study ways to improve the lottery. Mr Jack Cunning-ham, the shadow heritage secretary, said he would be looking at the management of the lottery, profits made by Camelot, the problem of under-age gambling and the social and eco-Labour has already said that when Camelot's contract to

run the lottery expires it should be awarded to a non-profit making body. Robert Shrimsley, Westminster making body.

Overseas aid to be redirected

Britain is set to phase out overseas aid to the Caribbean, Latin America and south-east Asia under plans to be announced next month.

A fundamental review of spending by the Overseas Development Administration has concluded that too much of its £2.15bn (\$3.31bn) budget is spent on small bilateral aid projects. Instead it recommends focusing more of the fibn devoted to hilateral aid to the 20 nations, mainly in sub-Saharan Africa and the Indian sub-continent, which already take about 69 per cent of the funds.

With an increasing proportion of funds devoted to multilateral aid the review argues that the bilateral aid project must be more accurately targeted at the most needy regimes.

The review is likely to see the top 20 nations' share of bilateral aid rising to as much as 85 per cent over the next few years. This could cost the remaining nations up to £150m in aid projects. An ODA spokesman stressed it would be a "graduated" reduction and added: "It should be pointed nut that getting countries off aid is considered a good thing" Robert Shrimsley

: K - -

. . .

2.1

1

d...

γ.

на. 7 м

10

How

4,00

22

e Will _{Der}

hog i

Glasse

16.

10ger

án, h

06,4 -

i≂n. Mari

 $M_{\rm e}$.

79 C -

.....

n Ispin

1. 1

4542.5

.).

9e.g

Byp . .

12-14-

10

(11

-

?` ___

R. 6. . .

a 1

Does the new Year of

Dr. K

Business backs time change

Three-quarters of companies want to change to western European time, according to a survey of members by the Confederation of British Industry.

The move would mean moving clocks in the UK one hour ahead throughout the year, extending evening daylight but making it darker in the mornings. The survey showed marked regional variations in attitudes, with \$1 per cent of businesses in the south in favour of time harmonisation but 72 per cent of Scottish companies against.

Mr Adair Turner, the director-general of the CBI, said most companies would welcome harmonisation with the rest of western Europe as a boost to competitiveness and business efficiency. But be said that the government would, in introducing any change, have to recognise the practical difficulties involved for some sectors of industry and for some regions. Lloyd's Motor Underwriters Association, whose members claim to be the largest insurer of motor vehicles in the UK, are backing the proposed legislation. Michael Cassell, London

Labour leader in Deloitte returns to Big Six single currency By Jim Kelly, Accountancy Correspondent

By Robert Shrimsley, Political Staff

Mr Tony Blair, leader of Britain's opposition Labour party, yesterday gave his strongest indication yet that Labour would offer a referendum on whether to join a European single currency. Asked in a television inter-

view about a referendum on a single currency, Mr Blair said there was a "very strong case" for one if it were not a clear issue in the general election.

"I think that our position, and I think the government's increasingly as well, is that there should be the political consent necessary for such a big step," be said.

Mr Blair also moved to reassure business that his muchtrumpeted plans for a "stakeholder economy" were simply a "slogan" and not a return to old-style corporatism.

The Labour leader said: "I have no intention of tying companies up in red tape, bureau-cracy and regulation."

Labour was concerned with asking bow businesses could treat "employees as partners rather than simply factors of production: I can't legislate for that".

Mr Blair said successful companies were already treating their staff as stakeholders. "The sensible company today

The UK music industry will launch a campaign next month to encourage young people to vote in the next general elec-

tion, Alice Rawsthorn writes. "Rock the Vnte" will be modelled on a successful US initiative of the same name. Endorsed by the three main

parties, the fim (\$1.54m) UK campaign will be apolitical. aiming to persuade 5.2m 18- to 24-year-olds tn register and use their vote. Rock the Vote will be

chaired by Mr John Preston, president of record company BMG and a close friend of Mr Tony Blair, the Labour Party under a single global brand name

realises that it is not just about its sbarebolders, important though they are, it is also nies called Deloitte Touche about its employees and the community in which it oper-

"It is important we have a notion of responsibility among Coopers instead. the company. It is not something driven through by legislation but something that we

For the Tories Mr Brian Mawhinney, party chairman, retorted that for all his rbetoric Mr Blair was committed to legislation and regulation because he supported the minimum wage and the European social chapter. give the name up in January I

The accountancy profession today welcomes back one of its founding fathers. William Welch Deloitte, to the elite group of pioneers whose names grace the Big Six firms. Unfor-tunately, to make room, another has been consigned to obscurity.

Touche Ross, the aixth big gest UK firm, will today send out 60,000 letters telling clients and contacts that from February 1 this year it will become Deloitte Touche. The name of Philip S. Ross, the "candid Scot", will be dropped.

The Deloitte name has been donated by the UK's biggest firm Coopers & Lybrand, While sentiment has played a part in the decision, it reflects the efforts of most of the big firms to serve multinational clients

Touche Ross is part of a world-wide organisation of accountancy firms and compa-

Touche Ross looked odd as Tohmatsu, When Deloltte Haskins & Sells merged with Touche Ross around the world the UK member of a global organisation with a different name. Now the link has been in 1989, the UK was the excepmade clear. Deloitte Touche Tohmatsu, tion - Deloitte chose to join

fifth of the Big Six in global Coopers stopped using the terms, with a combined fee name Deloitte in June 1992. income of \$6bn in 1994-95, audits 20 per cent of the Touche Ross tried to buy it back earlier but with no suc-cess. Now there is little point world's biggest companies with sales or assets in excess of trying to keep the name -\$1bn. The UK firm's manage-Deloitte partners and their climent consultancy arm will ents are firmly identified with practise as part of the transattheir new firm. In any case, lantic Deloitte & Touche Con-Coopers would have had to

sulting Group. The use of a name without

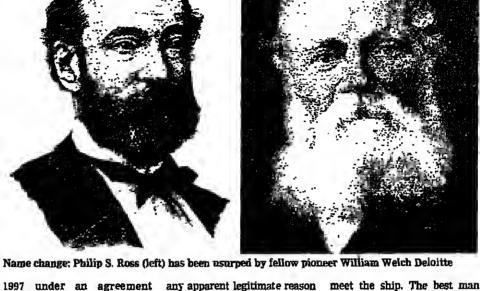
between the two firms.



missed the ceremony and remarked: "Well, you are the man for business." The couple celebrated their golden wedmade with strangers can last. The romantic career of Philip ding anniversary in 1906, S, Ross is a case in point.

Deloitte's name is more firmly associated with the Ross, known to the 350 partners of the firm which bore his founding of the profession. He name as forthright and spare founded Delolite in 1845 in with words, emigrated to Can-ada but in 1856 wrote to his minister in Scotland instruct. London and during e long career developed a system for keeping the accounts of the railways, which survived until ing him to propose marriage to three women on his behalf. the 1950s. Any one would be acceptable.

When be retired aged 79 he was considered the oldest practising accountant alive. Now, in the guise of Deloitte Tonche, within half an bour of her in the guise of Deloit arrival, having rowed out to be has a second life.





Conferences

MULTIMEDIA

Who will be the winners?

22 & 23 March 1996 Hotel Inter · Continental, Seoul, South Korea

Multimedia is set to be one of the major growth industries of the next decade-but where will that growth take place? Increasingly the focus is turning to Asia, with its concentration of technological expertise and a young ambitious population, eager for entertainment and information. Now, as many Asian countries install state-of-the-art infrastructure systems, they could be achieving an ideal position to develop multimedia. Will they leap-frog the West to become the leaders in multimedia development and usage? Which companies will be the winners? What role will China play? These and other questions will be addressed at the Financial Times Multimedia Conference in Korea, in association with the publishers of the leading Korean financial daily, Maeil Business Newspaper and TV.

Topics include:

- * South East Asia's role in the growth of multi-media
- * Will Asian countries leap-frog the West and jump to the forefront of multimedia development?
- **★** Financing infrastructure developments
- * Will trade barriers impede the growth of Asian multimedia suppliers?
- * Multimedia in China: tiger or paper tiger?
- * Who will be the winners in the multimedia revolution?

Supported by:

FT CONFERENCES in association with

Official Carrier: 😪 Lufthansa

The organizers reserve the right to programme as may be necessary.

LG Semicon Co., Ltd.

--M--

The Maeil Business Newspaper and TV

ENQUIRY/REGISTRATION FORM

Please complete and return to: FT Conferences, 102-108 Clerkenwell Road, London ECIM 5SA, UK Tel: (+44) 171 814 9770 Fax: (+44) 171 873 3969/3975 As of 15 January 1996 the new address for FT Conferences will be: Maple House, 149 Tonenham Court Road, London WIP 9LL Tel: (+441 171 896 2626 Fax (+44) 171 896 2696/2697

Multimedia			Enquiry/Registration I
Seoul, South Korea, 22 & 23 March 1996		PLEASE TO PLO	Please send further in
Mr/Mrs/Ms/Dr-Other		te as appropriates	Please reserve one pl Please send details of
First Name			Please send details of
Sumane			
Protects			Payment Details
			🗌 Chaque enclosed mai
Department			Bank transfer to: FT
Company Organisating			City of London Corpo Sort Code: 40 02 50
William			(Picase quote delega
	City		Card No
Protecte	Country		
Tel	Fax		Expiry date
Type of Business			Cancellation Policy: Cas will be subject to a 20%
Date Protection Act. The association one provide wall in FT & Pearson Protectional products and aneil in oth	he held by an and may be used to b or whented quality contiguates, for a	top use informed mailing perpires.	this date, the full regist accepted.

lick as appropriate) ace at the rate of £750.00 FT Speakers' Papers available en in the following areas

ie pavable to FT Conference Conferences, Midland Bank plc Mate Office Account Number: 71009095 ternational SWIFT Code MIDLGB22 18 tisme 25 referencei

EX/MasterCard/Visa with £

_ Signature of cardholder ncellations must be received in writing by \$ March 1996, and cancellation ice unless a substitute delegate is offered After stration fee will apply, however substitutions will still be s will still be HA

Sale 'threatens rail information improvements'

By Charles Batchelor, Transport Correspondent

The third said yes and sailed

to Portland. Ross married ber

Rail privatisation threatens to thwart plans by British Rail and Railtrack to improve passenger travel information services, according to managers involved in the project. Fragmentation of rail services arising from privatisation means some private companies acquiring train operating franchises intend to establish their own information systems. With only 30 per cent of rail journeys involving travel on trains run by more than one company, many operators may not be willing to invest in a network-wide information system for passengers. The management team which has acquired the London, Tilbury & Southend line franchise intends to create its own automated information system. Stagecoach, the bus company which has taken over South West Trains, says it is unaware of BR's plans. There is strong polifical pressure for improvements in the existing system because the government has been embarassed by evidence of poor serice. Proposals from the Informed Traveller initiative

are due to be put to Sir George Young, transport secretary, later this month.

One proposal is expected to suggest the creation of a separate company for the national passenger information system, which would sell its services to train operators.

British Rail, Railtrack and Mr Roger Salmon, the franchising director, have spent the past two years working on plans to modernise computer systems and on streamlining the way in which timetable

information is collected. But expanding telephone answering capacity could cost at least £25m (\$38.5m), while providing "real time" train information on platforms could cost £250,000 for each station. "It would serve no purpose to improve the accessibility of the telephone inquiry bureaux because under the present system this would only result in more callers being given the wrong information," said one

manager involved with the project. Printed rail timetables have proved no more reliable. The 1995 winter timetable, the first produced by Railtrack, had to be reprinted because of the number of errors.

Rebel to rejoin Tory fold

Sir Richard Body, the last remaining whipless Conservative Euro-rebel, offered a much-needed boost to the government yesterday when he said that he expected to return to the party fold in the very near future.

Such a move would be a fillip to the Tories, preventing their majority slipping to one, if as expected they lose the two imminent by-elections.

Tory business managers - who have been negotiating with Sir Richard for months - believe he is close to retaking the party whip. Yesterday the veteran Eurosceptic said he was still negotiating, but added: "It should be pretty soon now."

The news will come as a welcome respite for Mr John Major after a disastrous period last week which saw a renewal of leadership speculation following Baroness Thatcher's devastating attack on his policies and on "one-nation Tories". Political Staff

Boost for engineering optimism

Companies in Tyneside, north England, particularly in engineering, are optimistic about business conditions, says a survey commissioned by Tyneside Training and Enterprise Council from Northumbria University's Northern Economic

Research Unit. The survey, based on a sample of 112 businesses across all sectors and employing nearly 18,000 people, says around a third were more confident about business prospects than six months ago: 75 per cent expected activity to improve or stay the same, with 25 per cent anticipating a downturn.

Half of engineering respondents said the volume of their order book was higher than six months ago.

Chris Tighe, Newcastle upon Tyne

Ulster arms panel on schedule

The international disarmament commission on Northern Ireland led by former US Senator George Mitchell will meet the Thursday deadline for a report, officials confirmed last night. Talks with Unionist MPs in Belfast followed by another meeting with Sinn Fein in Dublin today will more or less wind up the major part of the consultative process.

Only then will the three-man panel sit down to prepare recommendations which will aim to take the gun out of Irish politics and signal which direction the stalled peace process sbould take next.

Press Association News

Combined bid reunites British Rail's three heavy haul divisions

US company to run rail freight

By Charles Batchelor. Transport Correspondent

beavy haul freight business.

acquire BR's three Trainload

Freight husinesses, beating a

rival bid from Omnitrax,

another US railway company

which had formed a consor-

num with the management of

Loadhaul, one of the Trainload

Mr Ed Burkhardt, Wisconsin

president, said be intended to

cut costs, partly through

reducing the 7,500 workforce

Freight husinesses.

and Rail Express Systems, The US railway company which operates the royal train. which last month took over the Wisconsin also plans to put operation of the royal train pressure on Railtrack, which and Royal Mail train services owns BR's track and signalyesterday emerged as the sucling, to reduce track access cessful hidder for British Rail's charges. Wisconsin intends to revive Wisconsin Central Transpor-tation paid £225m (\$346.5m) to

the business of moving single wagon loads for customers, a husiness which BR withdrew from in the 1980s because it was lossmaking. "If you are going to drive up the total freight market share of rail you have to increase the amount of single wagon business," said Mr Burkhardt, This would involve reopening disused sidings and marshalling yards. In the US, 80 per cent of Wisconsin's husiness involves

and by merging the bead single wagon ahipments. offices of the three companies The government split BR's miles of freight railroad lines Trainload Freight business, which moves cargoes of coal. steel and aggregates, into three separate companies 18 months ago to promote competition but later reversed this decision and said it would accept bids for all

three companies together. The decision to reunite the £64m on turnover of £559m in businesses prompted concern among some customers of rail freight that they will have to pay higher charges or that the service would not improve. The government believes rail freight already faces considerable competition from road haulage and other private freight operators which are also allowed to run trains on the network.

Wisconsin operates 2,800

in the US. The company, which is based in Rosemont, Illinois, acquired a large stake in the newly privatised operations of New Zealand Rail in 1993. It made a net profit of \$36.7m on turnover of \$211m in 1994. The Trainload Freight com panies made a net profit of

the year ended March 1995. The three companies are Loadhaul, covering the north-east of England, with sales of £174m, Mainline Freight in the south-east with £193m turnover, and Transrall Freight in the west and north-west with turnover of £192m. The managements of all three Trainload Freight basinesses bad originally made

T - T

THIS WEEK

n one week's time, the Santer Commission will be one year old. How is the team doing? Here is Chancellor Helmut Kohl, a recent critic, who offered his thoughts in a New Year message to President Santer.

- - - - *****

. .

"Lieber Jacques! So, our plan worked. All those people who thought I was hammering the Commission at last month's summit in Madrid got it wrong.

"My goal was to strengthen your authority in the run-up to this year's inter-governmental confer-ence. We both know how unpredictable our friend is in Paris, and John M. may not last the year. I believe the Bonn-Brussels axis is central as we drive forward to a united Europe. Forgive me, then, if I offer you a few words of friendly advice and encouragement for 1996.

"Dear Jacques, the joke is that you are only primus inter 20 prima donnas; but, seriously, some of your fellow Commissioners are crying out for the firm smack of leadership. Just thinking about Fran Bjerregaard's Brussels diary makes me

Santer takes time circling the basket splutter. As for Neil Kinnock and most sensitive policies. Without his thoughts on eastern enlargereform of the common agricultural ment and monetary union, I wonder policy and ragional aid, eastern somatimes whather his horizons

enlargement will fail, but we must stretch much beyond the Welsh reform by stealth. valleys. Therefore, 1 am delighted "The two other heavyweights are that you and Commissioner Yves-Karel van Miert and Sir Leon Brit-Thibault de Silguy are setting up tan. Karel is clamping down on carnext week's conference on Emu in tels, and he squeezed us on the France Telecom/Deutsche Telekom Brussels. De Silguy is a bright fellow, but we must guard against Atlas joint venture. He plays the excessive enthusiasm. I have told Brussels press like a violin. Hans at the Bundesbank to keep up "Sir Leon is also a mediameister.

the tough talk on the convergence Occasionally, I ask myself whether criteria. Otherwise we can all say Auf Wiederschen to the Euro. he's itching for a bigger job, particularly after he flirted with the Nato "Looking back, I'm delighted with vacancy. Bnt you cannot keep a the performance of Monika Wulfgood man down. The interim deal on financial services liberalisation Mathies and Franz Fischler. (Let's leave aside Martin Bangemann: it's was crucial, and his action prohard to see how such a big man gramme on transatlantic co-operacould be so invisible!) Monika and tion looks promising. His test this Franz are the work-horses in your year is to make the US and Asian team. They're decent and competent strategy work. with first-rate teams steering the

"I am not so sure about some of

DATELINE

Brussels: European President Jacques Santer may benefit from the shrewd counsel of a New Year letter, writes

Lionel Barber

the 'Club Med' Commissioners. The two Spaniards - Manuel Marin and Mannel Oreja - need watching. Manuel M. is as canny as ever in collecting money for Spanisb causes. His latest gambit is to use EU aid to push reform in Cuba, but are the Americans on board? Manuel O. is bright but a bit of a wind-

bag, especially when it comes to talking about the IGC. Joao de Deus Pinheiro, the Portuguese, is handicapped by his interest in golf - but he has an important trade brief with South Africa.

"I am more impressed with Gregor Papoutsis, the Greek who handles energy and tourism, and his chief of staff. They almost pulled off a deal on energy deregulation at end of 1995. It may not amount to much, but the monopolists in France and Germany are to blame for the delay. As for the Italians, Mario Monti is snper-intelligent. Give him credit for pushing a frontier-free Europe and for sacking that uppity Englishman wbo headed the VAT section; but he needs to be less aensitive about press criticism.

"Mario should take a leaf out of Emma Bonino's book. She was prob-ahly the star in your team in 1995, a

PEOPLE



O

rent-a-quote radical who clocked up more frequent flier miles than Amelia Erhart. She even managed to make the turbot war with Canada sound glamorous, and her burnani-tarian work in Rwanda and Burundi was admirable. The other impressive debutant was Erkki Liikanen, the Finn who handles the budget. He and Anita Gradin, the Swede, are 'slowly changing the Commission's spendthrift habits.

"Three Commissioners remain a mystery to me. Padraig Flynn, the twinkling Irishman in charge of social policy. Surely someone will spot the gap between what he says and what he actually delivers. Edith Cresson is struggling to make her mark in Brussels; but she's a lot savvier than many of ber colleagues. Hans van den Broek took his eye off the enlargement dossler, worrying about the Americans sidelining the EU in the Balkans. But be should do better in 1996.

"As for you, dear Jacques, you will be judged by three subjects: enlargement, the IGC and Emu. Two out of three and you're a hero.

"You like to describe yourself as a basketball player, waiting for the right moment to shoot. Fine, but don't run out of time."

FT GUIDE TO

THE JAPANESE SUCCESSION

Why has the Japanese government changed yet again? Mr Tomiichi Murayama, a socialist former fishing union official who mede no secret of his dislike of being prime minister, decided to call it a day, after 18 months in the job. He was tired of being a puppet of the party which controlled his coalition, the conservative Liberal Democratic Party, whose president, Mr Ryutaro Hashimoto, succeeds him.

What does it matter to the rest of the world?

Japan is still the world's second largest economy and its largest creditor nation. The hands at the controls affect anybody who trades with or borrows from a Japanese company.

Is the new government any different from the old one?

A hit. An LDP man is back on top for the first time since the party was thrown out of government in mid-1993 by an electorate fed up with the pork barrel politics that had evolved under 38 unbroken years of LDP rule. But it is the same disparate three-partner coalition as last time: the LDP plus the centra left Social Democratic and New Harbinger Parties.

Will the new prime minister have a better chance than his ineffective predecessor of tackling Japan's economic and financial problems?

That's unfair on Mr Murayama. He did pretty well, getting agreement on a rise in sales tax in April 1997, overseeing the biggest reform to the electoral system since 1925, and delivering the biggest public works spending package in Japanese history. But Mr Hashimoto will, like Mr Murayama, need to keep coalition partners happy. So the policy muddle, in areas like the need to allocate more public money to the ailing small banks, may persist. Mr Hashimoto will meet problems at once with an unpopular plan to use public cash to bail out housing loan companies.

It all sounds like a bit of a mess. Who is really in charge?

That's a tough one. Until a few years ago, Japan was run by the so-called "iron triangle"; efficient collusion between bureancrats, top companies and the LDP. That system has now collapsed.

Business distanced itself from the LDP after It fell from power in 1993 and the LDP itself is split along generation and new faction lines. The bureaucracy, especially the powerful finance ministry, is under fire for alleged corruption and mismanagement. The LDP's return to power, at the head of another wobbly coalition, does little to change that state of affairs.

Haven't you ducked that last question?

Sorry. Government has become more fragmented during the past few years, but there are people and groups who exercise more power than most, generally from behind the scenes. Look out for the chief cabinet secretary, Mr Seriko Kajiyama, who is Mr Hashimoto's senior in the LDP and a brilliant political strategist. Observe the new top bureaucrat at the finance ministry, Mr Tadashi Ogawa, but don't pay too much attention to the finance minister, a socialist with no cabinet experience.

Robinson reinvents the Woolwich

Woolwich Building Soci-**V** V ety as a management trainee in 1963, he was expecting to be with the Woolwich only for a couple of years while he considered

other career prospects. After 32 years in the home loans and retail savings business, be is its chief executive, and marked his accession by announcing last week plans to turn the UK's third largest building society into a bank and

float it. The decision will mean free shares for up to 3.5m Woolwich savers and borrowers. For several years be was heir apparent to Donald Kirkham. During this time, Robinson says, "if there was a need for organisational change, cost suppression and fairly

radical alterations to our business I've usually been the one to do it". He intends to rely on a small team of executives instead of looking to a partnership with a potential successor.

But the change of management style was overshadowed by the constitutional change announced last week. The Woolwich board took the final decision on January 3, just after Robinson, who is 54, took over.

This was encouraged by the the home loans and banking group, announcement that Cheltenham & into a joint venture to devise and Gloucester, the sixth largest building society. was being bought by Lloyds Bank for 1.8bn. "That deal altered things forever in terms of any traditional building society merger," says Rohinson. "It raised the spectre of a possible bostile bid, expectations in terms of possible bonuses. Before that I had been fairly bopeful that we could manage consolidation within the sector." The difficulty of achieving more

than organic growth - in a relatively flat mortgage market - If Woolwich remained a building society, owned by millions of its savers and borrowers, was an important

The society emphasised that, as a public limited company, It could raise extra capital more easily. That would give more scope for expansion, as well as acquisitions.

The Woolwich history of expansion is mixed. Robinson emphasises its early start in developing life assurance and unit trust subsid-iaries which are now sizeable businesses. It was also the first building society to follow Abbey National,

Lee's arge-culture sho

Her new employer has wasted no

time recruiting talent in the wake

careers in the past year.

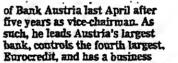
Action actor Steven Seagal,

sell general insurance.

But it has taken time for its French and Italian subsidiaries to become profitable, and its estate agency is still producing pre-tax losses, however valuable as a

Robinson would like the diversified businesses to be more important in providing the group's income. "The proportion is 80 per cent to 10 per cent in favour of UK core businesses." he says, "with 10 per cent from other activities. Our medium-term ofgective is to double that 10 per cent"

general insurance busicesses. the need for Woolwich t. "bulk up" if it is not to be a takeover target at the end of its protected five-year period after flotation, sugrists that with an estimate a structure capitalisation of 2.5-3bn - it might otherwise be vulnerable to a bostile bid. Safety, Robinson says, bes in two areas. "It's a question of size and of



ng rrom

Since last week, Randa has also

WOOLWIG Chief executive Peter Robinson, left, and chairman Sir Brian Jenkins

sustaining a decent profit record. If we do achieve that, we will either be too big, or have sufficient clout be too big, or have sufficient clout

Counterparts at other building societies say Robinson's commitment shows in a deeply competitive approach which underlies an engaging and affable manner.

An executive in another society remarked Robinson's relief that Woolwich had pipped to the post with its announcement the other society widely expected to become a bank, Alliance & Leicester.

Whether this will make up for the likelihood that A&L could still become a bank first - Woolwich is not intending to float until late 1997 - remains to be seen.

Alison Smith





and it certainly raised members'

factor in the decision.

Scorsese, Alan Parker and Joe Roth. who now runs Disney Studios. Since branching out on her own she has, most notably, been executive producer on Clockers.

source of mortgage business

to go in on a partnership basis. Or if we are absorbed by a giant - we will have sufficient bargaining

Woolwich is, he paids, "poised to power and support from instituexpand its French operation", and tional investors to continue with be is also been to see acquisitions the Woolwich franchise." for its life assurance, unit trust and He resists the notion that having

spent so long with a single organi-sation may prove a disadvantage in The emphasis on acquisitions and running a public limited company. "During the time I've been here, Woolwich has been mutating from an organisation of modest size and influence to where we are now. As for the idea that building societies provide only a 'confined' experi-ence, we have dealt with insurance companies, banks and other finan-

This is the futh Jap nese governi ent in three years. Why No clear winner has yet emerged from the post-1993 melée. The LDP does not have enough members of parliament to govern without the help of its former foes, the socialists. The opposition - mainly composed of ex-LDP heavyweights - has still to get its act together, under a tough new leader, Mr Ichiro Ozawa. It may even split.

How long will this government last?

Up to six months. Mr Hashimoto has promised his coalition partners to try to keep going until autumn. But Mr Ozawa hopes to bring him down early by exposing Mr Hashimoto's responsibility, as a former finance minister, for the housing loan companies' collapse.

Will the next government, after this one, be any better? It will probably be another coalition. But it may have a stronger popular mandate than this one because it will, unlike this government, very likely be formed after a general election. Constitutionally, Mr Hashimoto does not have to bold one until July 1997. But he cannot afford to ignore growing public pressure. The last three changes of government were palace revolutions, decided by a vote of members of parliament.

Does the new generation of Japanese leaders represent change? Yes, but only a hit. Mr Hashimoto and Mr Ozawa are more outspoken and have clearer policy manifestos than their predecessors. Yet their roots are traditional. They both began as disciples of the late former prime minister Kakuei Tanaka, who perfected the LDP faction system. Mr Tanaka was an exemplar of old style money politics. Only by dying

in late 1993 did he escape prison for bribery. Mr Hashimoto has deep respect for the bureaucracy and the old iron triangle. Mr Ozawa has attempted to reinvent himself as a reformer, but uses traditional factional tactics.

So Japan's political revolution never happened? We are talking about evolution, not revolution.

So what has bappened in the past three years?

So what has bappened in the past three years: Japan has moved from a one-party system, to muddled coalitions. That is now simplifying into a two-party setup, embodied by the clash between the conservative Mr Hashimoto and the mildly progressive Mr Ozawa. The shift to a two-party system is important, as it puts pressure on the new rivals to woo voters with ideologies, rather than the pork barrels of the past. Mr Hashimoto and Mr Ozawa have had a lively policy debate, itself a change.



Kendo attitude: Hashimoto bas a clear policy manifesto





Swedlin returns to

her roots as a Hollywood agent

International Creative Management has stepped up its campaign to seize the high ground in the Hollywood talent agency business by installing film producer Rosalie Swedlin as a senior vice president, writes Christopher Parkes in Los Angeles.

Swedlin, formerly a top rank agent with Creative Artists Agency until she moved into independent film-making in 1991, will have wide responsibilities in ICM's film and television operations. The appointment is unusual in a

business where executives are rontinely poached on condition that they bring trains of actors, writers and directors in their wake. Swedlin comes without any clients; but she does have a reputation, built up over 10 years at CAA, where she handled the likes of Martin

America. Nicholas Cage and Elisa-

beth Sbue star as hard-drinking writer and fast-sinking booker in this potent tale of decline and fall in

Sin City. It makes Shought's look

Mute Witness became a mini-cult

at Cannes this year. Made for a

pocketful of roubles, Waller's

high-speed murder shocker is set in

and around a crumbling Russian

The props, lights and mostly

the meretricious tripe it is.

المراجع والمراجع والمحاج فيستر والمراجع والمحاج والمراجع والمراجع والمراجع والمراجع والمراجع والمراجع

Witness.

film studio.

۰.

FILM AND VIDEO

formerly martial arts instructor to Michael Ovitz, the CAA founder who is now number two at Walt Disney, has joined ICM. Kevin Costner, another international star attraction, has left CAA and is yet

to decide which agency will take the traditional 10 per cent of his fees in future. And Sylvester Stallone, who recently broke new ground with a multi-film contract under which he is guaranteed \$20m per role, has also left CAA for ICM.

The firm, which had already cornered the market in big-name tough guys - Arnold Schwarzenegger and Jean Claude Van Damme are on its books - is also preoccupied with reinforcing its popular music operations.

Unlikely revolutionary on the Vienna market

Gerhard Randa seems an unlikely man to chaoge the clubbiness of the Austrian equity business, writes Eric Frey in Vienna. Now 51, Banda has made his career in the state-controlled banking sector, rising to chairman

been president of the Vienna stock of recent ructions at CAA, which has lost its founder members to new exchange, a position that rontinely goes to one of the city's top bankers. Bank Austria is one of the

to fast food restaurants.

handful of players that control the Vienna stock market and make trading and share placements often look quite untransparent. But if Randa gets his way, all that will end. "We quickly have to reach world standards," be says, citing US and Britisb disclosure and transparency practices.

Vienna is well on the way to a fully electronic trading system - it is due to switch in mid-1996 - and Randa is pushing for a supervisory body similar to the US Securities and Exchange Commission. There is still some way to go, however. There is little domestic interest in shares and most public companies have only a small part of their equity in free float. "We have to intensify the breadth and the depth of the stock market", Randa says, citing privatisations and initial public offerings.

This apparently does not apply to his own bank, which is controlled by a foundation close to the city of Vienna and has very few shares on the market. "We are very happy to have stable strategic investors," Randa says.



BUSINESS INFORMATION



THE RIGHT **BUSINESS INFORMATION**

In the age of information, the hard thing is to find the right information; key company information that's relevant and to the point

FT McCarthy is your vital source. Our network can provide comprehensive information on the exact companies and sectors that interest you. Every day we gather information from the world's top business publications it would take you all day just to read them - sort it, and store it. You can access just what you need - by company, by industry, by country or by market. Industry speculation as well as the hard facts.

Access is on CD-ROM, oming or her i to pay so it's

easy to be on the right side with FT McCarthy. Start today

by sending the coupon.

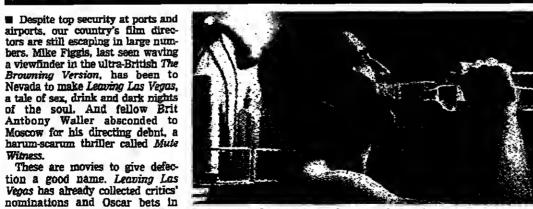
FT McCarthy. The right business information

Complete this coupon and send it to: Machael Ridgway, FT McCarthy, Financial Times Information, Fitzroy House, 13-17 Epworth Street, London EC2A 4DL. Telephone: 0171-825 7953. Please send me details of FT McCarthy,

•		

Company	
Address	
	 \mathbf{TT}

	 A
Country	
Telephone	 FINANCIAL TIMES
	 a contraction of the



Invigorating shower: Nicolas Cage stars in Leaving Las Vegas

script (in English, not Russian). called High School High. And don't blink or you'll miss Waller's one big name, Sir Alec Guin-ness as "the Reaper".

Elsewhere Micbelle Pfeiffer prowls the classrooms in Dangerous Minds, teaching children with special needs. In America these include the need to carry a gun and switchblade. A Blackboard Jungle for the '90s, the film has been a hit in America, where David and Jerry Zucker (of Naked Gam) are already

On video we have Jerry Z's last film, the straightfaced First Knight. Only the title is jokev in this rousing tale of Richard Gere's Lancelot, Sean Connerg's King Artbur and

unheard of actors came cheap. But America, where David and Jerry people out, how money cannot buy this degree of Zuckar (of Naked Gun) are already about theirs con ingenuity with plot, images and making a feature-length spool Nigel Andrews

. . .-

Julia Ormond's Guiuevere swasb-

buckling all over the home coun-British history Hollywoodised? Yes. But if they can't keep our film people out, how can we complain about theirs coming here?

- -

TV reached around 35 per cent of

the Romanian population at launch

last month, but this should increase

to around 55 per cent by the year-

giants CME is expanding as a ter-

restrial rather than a satellite

broadcaster, but it is using satellite

technology to fill the missing

ground links hy delivering pro-grammes via satellite to terrestrial

television transmitters, cahle televi-

sion operators and affiliated sta-

tions. As an interim measure It is leasing part of a transponder on an

existing satellite, hut it has also

taken a 12-year lease on a transpor-der on the Eutelsat HB3 satellite which is expected to be launched in

January 1997. This will give all the

stations affiliated with CME a low-

cost programme distribution system

in their own language. Fertig likens CME to the infantry

of the television industry in central

Europe, fighting country by country

for market share, in contrast to the aerial strike forces of the big media groups. "They take more of a high-

tech approach with satellite tech-

nology delivered to people that can

afford dishes, cahle and pay TV.

They are fighting the air war pick-ing up single digit market share

across the whole of Europe. We are

the infantry with teams of people

on the ground. We want as much of

the TV advertising market as possi-

"Building local partnerships and local businesses takes time and

resources, Our rivals are too large

to focus on individual small coun-

tries, so they are overlooking them.

They got excited for a short time after the Berlin Wall came down,

But they decided that the same

effort needed for 5m to 10m people in a single country could be spent

on 1bn people. They have focused

In the meantime the CME infan-

try is setting up bases from Berlin.

Dresden and Leipzig to Bratislava,

Kiev, Prague, Budapest, Ljubljana

and Bucharest. Each launch may

initially appear chaotle. but the

hle in each country.

on Asia instead."

Unlike several of the global media

MANAGEMENT

Kevin Done on how US venture capitalists are changing the broadcasting map of eastern Europe

TV programme of expansion

entral European Media Enterprises has stolen a march in eastern Europe on most of the world's established media giants. With the recent launch of commercial television operations in Romania and Slovenia, it is mounting an increasingly serious challenge to entrenched state-owned broadcasters in the region. And if current licence applications in Poland and Ukraine are successful, it could be reaching a target audience of more

. c.

than 100m viewers hy 2000. Created hy a group of US venture capitalists led by Ronald Lauder. one of the heirs to the Estee Lauder cosmetics fortune. CME is rapidly changing the broadcasting map of the former Communist hloc.

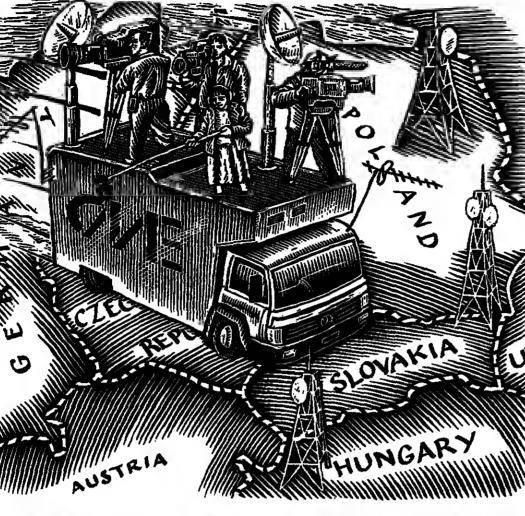
Its strategy - based on early market entry, investment alliances with local partners and the use of satel-lite technology to plug gaps in its terrestrial network - is directed at trying to repeat the spectacular hreakthrough it achieved with Nova TV in the Czech Republic, already regarded as one of the most success ful launches in television history. It will also be hoping to avoid the pitfalls and losses it has suffered in regional television in Berlin where it has discovered a more local approach is necessary.

Started in February 1994 Nova TV is eastern Europe's first, private national commercial television station. After less than two years of operation, it has eclipsed the two channels of its state-owned rival Czech Television (CTV). It claims an average share of more than 70 per cent of Czech television viewers and is developing into a formidable cash-generating machine,

The success of the Nova TV operation, in which CME holds a 66 per cent equity stake, has supported the flotation of the group on the Nasdaq stock exchange in the US, where It has raised gross proceeds of \$168m (£109m) in two share offerings in October 1994 (\$76m) and again in November last year (\$92m). Beside Romania and Slovenia, operations are planned to begin in Hungary and Slovakia later this year.

According to Leonard Fertig. chief executive of CME and previously a pioneer of pay television in the US, early entry to the different markets across the region is allowing CME to take advantage of the high initial rate of growth in televi-

R onald Lauder likes to portray himself as an insider in east-ern Europe. In Bucharest for the launch of CME's PRO TV opera-tion he is faulted by Permine tion, he is flanked



sion advertising expenditure. ised headquarters in the historical It is gaining too from the absence

of serious competition with only a very limited number of broadcasting licences available in each country, and it has also acquired exclusive rights to western programming. Nova TV, for example, has introduced US-style television appealing to a mass audience with a mixture of films, comedies, drama, soaps, news, sports and late

night soft-porn programmes. All foreign language films and programmes are dubbed into Czech, and Nova TV has acquired the Czech broadcasting rights for more than 6,000 internationally released films and television episodes. With the profits rolling in Nova TV is buying its elegantly modern-

centre of Prague, and CME is confident that the Czech station is already solidly self-financing. Crucial to Nova TV's rapld growth was its ability to broadcast nationwide from day one - and it is

bere that the joint venture approach has been important. The US venture capitalists shrewdly joined forces in 1992 with a group of Czech and Slovak media personalities and academics. Together they won the contest for the national licence to use the broadcasting frequency in the Czech Republic of the old federal Czechoslovak TV channel, which became available with the split of the country at the end of 1992. CME has also been astute enough

to team up with local interests with close government links. Among the Czech partners was Vladimir Zelezny, a former dissident journalist, screenwriter, playwright and television director. Zelezny, an activist in the 1989 Velvet Revolution, became official spokesman both for Civic Forum and later for the Czech government, before joining the project for private television in 1992. He became Nova TV's first general director and has since been rewarded for its success with the additional post of president of CME's television station group.

Similarly, CME has also secured its position in Romania by forming a partnership with local personalities, namely Adrian Sarbu and Ion Tiriac, who had been awarded sev-

cent of Romania's 23.2m population. eral regional television broadcastand operated four local radio staing licences, but lacked the capital tions. The venture with CME will and expertise to knit them together now manage all these stations and into a national channel operate the PRO TV network. PRO

Sarbu, a documentary film maker before the demise of the Ceausescu regime, ran the election campaign for the National Salvation Front in 1990 and served hriefly as secretary of state for media affairs in the government of Petre Roman, before resigning to form Media Pro, his own media and advertising group. He has been appointed general director of the Romanian operation. PRO TV. Tiriac, the former international tennis player and tournament promoter, has become one of the leading entrepreneurs in Romania with interests from banking to motor distribution and airport services, as well as television

From his Prague base the newly promoted Zelezny is taking on the task of developing services that can be shared between the various CME stations including joint production. programme exchange, marketing. purchase of sophisticated technology and multi-market advertising.

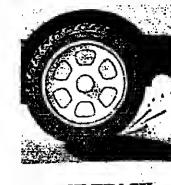
CME is already cashing in on rapidly rising advertising expenditures commercial television develops across central Europe. In the Czech Republic the television advertising market has jumped from \$6m in 1991 to \$96m in 1994 and an estimated \$135m-\$140m last year, of which Nova TV claimed a share of more than 70 per cent, says Fertig, In Romania he estimates that television advertising expenditures grew from \$3m in 1994 to \$25m last year. "We forecast very rapid growth for the next four-five years, perhaps a doubling each year with a total market of between \$200m and

\$400m by the end of the decade In the countries where CME already has broadcasting licences he forecasts a television advertising market of between \$1bn and \$1.5bn hy 2000 and says this could grow to \$2bn-\$3bn, if CME wins the licences it is seeking in Poland and Ukraine. The Czech Republic is the only country in which It has started with a national broadcasting licence from day one. In most other countries it is pulling together a patchwork quilt of regional stations and cable operators in a process that mirrors the development of the US networks years ago, says Fertig.

CME footprint is growing, and Ferin Romania, for example, Sarbu tig is confident the group can emerge as a powerful new player on the European media board. and Tiriac held six regional television station licences covering 25 per

eating houses.

For the moment the spotlight is turned, however, to television and telecommunications. "We are king for unique or



FAST TRACK Holiday Autos

Anyone who has hired a car from an airport at their holiday destination will know it is not as easy as it seems. Even if most of the charge was pre-paid, there can still be insurance premiums, currency supplements, additional driver cover and a myriad of state and local taxes to pay at the airport. Remarkably for an industry

dominated glnbally by large car hire companies, it was a tiny private British company that grabbed the opportunity to offer hassle-free car rental through travel agents.

In 1987, Clive Jacobs and two partners set up Holiday Autos in a room in central London with a few hundred pounds of capital It now has sales of £40m and is a leader in the fast-growing European market.

Jacobs came to car rentals via a circuitous route. After jobs on huilding sites and in the fish department of Selfridges he started selling insurance for Hambros Life before returning, aged 20, to Israel where he was raised. He then took a jnh as a messenger delivering airline tickets for travel agents in Tel Aviv.

Returning to London, he joined a mass of other small agencies in the early 1980s selling cheap tickets through . hucket shops. It was here that he and his partners found the ignored niche of car reutals. 'Car hire was the only

product not being extensively sold through travel agencies. he says, Lining up small rental companies in popular resorts, Holiday Antos offered an attractive package to the travel agents that allowed them to sell the product easily and get paid quickly.

Q:19 -

.....

1033

ан 17. - 4 15. - 1

FEBRUAR Gull ge

under Singer-Auflock for eight Result Resu

Working with slips of paper and a telex machine, the three partners sold nearly £1m of car rentals in their first year and were immediately profitable. The company then linked up ALL THE THE ar rental (

throughout Europe and boosted

its marketing drive by saying

more cheaply elsewhere.

Over the next two years.

that customers could not book

Lauder's new media fragrance

President Ion Illescu at the grandlose House of the People, Ceausescu's megalomaniac folly.

"We have always worked closely with local officials in government. Whatever we do, it is with the hlessing of government," he says.

The establishment links are crucial. As Lauder expands his commercial television operations through eastern Europe, government broadcasting licences are the vital first step.

smoking-related diseases.

cover that the attempt to confine

smokers to the dole queues is not exclusive to the US. According to

our very own Institute of Personnel

and Development, British compa-nies are within their legal rights if

they offer jobs only to non-smokers.

companies on either side of the

Atlantic should want to stop at

smoking. Why not have rules han-

ning all fat people? There was a

case in the US recently in which

someone was fired for heing too fat.

and one can only commend that

company for its bravery. After all,

fat people may drop down dead with

What I do not understand is why

Lauder, 51, is one of the billionaire heirs to the Estée Lauder cosmetics fortune. He is still on the Estée Lauder Companies payroll he received \$3.9m (£2.5m) in salary, bonus and other compensation for the 12 months to the end of June last year - but since the collapse of communism his atiention has been focused on eastern Europe. Late last year he raised \$204m

through the sale of 8.3m shares in the flotation of Estée Lauder. His

remaining stake is worth in excess of \$1bn, but he says that he is "likely" to sell additional "substantial" holdings from "time to time". Lauder is re-establishing the family's roots in central Europe. His four grandparents came to the US at the turn of the century from an area within a 100-mile radius of Vienna, from present-day Hungary, Slovakia and Austria.

In the Reagan years his links to the region were enhanced by spells

first at the Pentagon and then as US ambassador in Vienna. In the late 1980s, as communism crumbled, he was back at Estée Lauder, negotiating for stores in Moscow and Budapest, as well as failing to become mayor of New York.

He started the Central European Development Corporation in December 1989 with a group of people including Mark Palmer, US ambassador to Hungary from 1982 to 1986 - looking for "interesting invest-

ment opportunities in east Europe". Since 1990 Lauder's venture capltal operations have moved successively into banking in Hungary -General Banking and Trust Company, the country's first bank privatisation - a cement plant in Estonia, real estate (including development of the Checkpoint Charlie site in Berlin), and restaurants with the purchase of Gundel's in Budapest, now restored to its former glory as one of Europe's great are unique opportunities.

where, once in a lifetime, governments are giving out licences," says Hungarian-born Andrew Gaspar, a director of CME and one of Lauder's main venture capital partners.

"When you play back the video-tape of western history since the during which sales rose to £2.5m and then 16m, the company war, some classes of investment opened offices in Germany and would have been great. Real estate the US and has now franchised. downtown would have done specthe operation across 42 tacularly well. And government locations. licences of different types. These

Holiday Autos' arrival bas not gone unnoticed - although the. three founders were able to disguise its progress by trading until last year as a partnership, which does not have to file accounts. Suncars, owned by tour company Unijet, is another rapidly growing name in car rental broking, while Heriz, the giant subsidiary of the Ford Motor Company, has cut prices and is currently challenging Holiday Autos' advertising campaign in the courts. With the buliday rental

market growing in line with the. desire for more adventurous holidays and the US market still largely untapped, Jacobs says there is still much to go for.

It has just launched an all-in rental package for the DS and has been made preferred carrier for Virgin's newly opened route to Crete. The ambition is to make Hnliday Autos as well known internationally as Hertz

and Avis. But having toyed with a flotation earlier this year. Jacobs has no plans to sell. H you want the progress of your " business to be dictated by people who do not understand your business then go public."

Richard Gourlay

hree cheers for the US Supreme Court. Last week a heart attack any minute. Simi-larly, people with high cholesterol levels should be prevented from it ruled in favour of a Florida employer which being employed, as should people makes prospective workers swear who are too thin or too old. The they have not had a puff of a cigamost ohvious group that should be rette in the past year. The court correctly saw nothing illegitimate excluded from the joh market in the interests of keeping a lid on costs in this: the employer was simply are women - they get pregnant and trying to keep down its costs from then are absent for months on costly maternity leave. I am particularly cheered to dis-

One of the beauties of being an employer in the 1990s is that with so many people out of work you can pick and choose whom to hire. It could be argued that if you limit your choice to males of average weight, who do not smoke or drink. or do anything that might risk their health in any way, you may not be getting the most talented, creative people around. But in today's stultifying, frantic company it is not obvious that taleot or creativity is always an advantage.

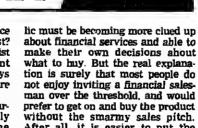
Which would you prefer: a face to



No fatties, smokers or oldies wanted

face interview with a life assurance salesman or a visit to the dentist? Until my own visit to the dentist last Wednesday at which a front tooth was extracted I had always thought the two experiences were much of a muchness.

Thus I was not in the least surprised hy last week's supposedly shocking revelation that half the UK population would prefer to huy. financial services over the phone, willingly foregoing the traditional personal interview. What is remarkable about the news is that the life assurance industry has fondly grasped the wrong end of the stick, and concluded that the British pub-



tion is surely that most people do not enjoy inviting a financial sales man over the threshold, and would prefer to get on and buy the product. without the smarmy sales pitch. After all, it is easier to put the phone down than to show someone the door. If only dentistry could be done over the phone.

Senior managers should set a good example and go home at 5pm or 6pm every day for an enriching time with their families, followed perhaps by a bit of community service. That was the recipe for success given hy cook and husinesswoman Prue Leith last week at the RSA

You need to be an unreconstructed workaholic to disagree that most people spend too much time in the office for their own good and for that of their families. However Leith, like many of her fellow campaigners on this newly fashionable cause, is guilty of some wishful thinking.

She refers to "evidence" that people with "happy personal relation-ships and healthy outside interests make better employees than the overloaded executive guilty about neglecting his or her family". It would be nice if this were so.

Most of the really successful people I can think of are those who give everything to their work.

A bad or non-existent family life, and an aversion to evening classes and choir practice, may actually be

an advantage as far as the company is concerned. Of course there is Gerry Rohinson, chief executive of Granada, who works a 30-hour week and still

insists on a long family holiday even when he is in the middle of a £3.7m takeover hid. But he is not the norm. What is true is that having a few outside interests and a functioning home life may make someone a more rounded human being than one who lives for work. But there is no reason why a company should give a fig about that.

Recently I came upon a powersuited woman disappearing into the ladies' loo at her office in order to have a conversation on her mohile

phone. Must be pretty secret, I thought until I heard her say: "Have you done your homework?". What does that say about family-friendly poli-

cies?

time is your most valuable commodity

When your customers need assistance, they need it fast. We can help you provide an instant response. The benefits of Mondial's substantial resources and comprehensive worldwide coverage are immeasurable and seamless. Tailor-made customer care services can be administered on your behalf and branded in your company's name. Our experience covers medical, legal, motoring, financial, insurance and travel markets. Total assistance with practical solutions to real problems, 24 hours a day, 365 days a year. We supply the service. You reap the benefits. Call Ailsa Macdonald on (7444) 0181 681 2525.

Mondial House, 1 Scarbrook Road, Croydon CR0 18Q

S MONDIAL ASSISTANCE



BUSINESS EDUCATION

BOC has devised its own course to train Chinese managers, reports Della Bradshaw

College proves a real gas



-40

<u>`</u>*

••.,

<u>-</u> -

1.7

China. But for companies setting up in China there is an enormous need to train locally recruited managers.

Just such a problem faced BOC Gases, which owns three companies in China and has a further 17 joint ventures there, selling industrial gases to the chemical, steel and food industries. Michael Brown, managing director for BOC in China, had to decide what to do. The concern was neither the handful of ex-patriot employees nor the dozen or so high-flying Chinese staff. The issue

was how to train the 150 general managers who worked on a day-to-day basis with BOC's 3,000 Chinese employ-

Brown finally decided to set up his own school, the BOC College, in conjunction with the university in Fushim in north-east China, where one of BOC'a joint venture companies is sited. Then the company designed its own management programme modelled on a traditional business school MBA.

BOC bought in training modules where available and developed others where required. The first 11 students graduated from the first 10-month. full-time course at the end of 1995.

Not least of Brown's reasons for rejecting traditional overseas business

courses was the cost. Because of low living costs in China the Fushun course cost BOC just \$30,000 (£19,500) to develop - the equivalent of course fees for two students to study on an MBA course at a European business school. The bureancratic difficulties in get-

ting students out of the country were a further deterrent to the husiness school route. And Brown wanted to retain edi-



Students at the BOC College in Fushun, China, learn all about western marketing skills

torial control of the programme and Brown believes that one of the bigstamp the BOC image on it - the mar-keting module, for example, on how to market industrial chemicals, is taught gest benefits of the course will not be in the more obvious basics of a market economy - such as the importance of a exclusively by BOC's staff. profit and loss statemeot, instead he He was further concerned that many argues that human resource management is the biggest problem faced by

of the managers did not speak English well enough to study a full-time course companies such as BOC in China. "One in English. (One third of the Fushun of the key areas is developing the peo-ple who then go on and develop the course is English language learning.)

As well as language difficulties, Brown felt the students would lack the basic management background in, for example accountancy or marketing, to survive a full-time MBA programme. Aged between 30 and 45, they were slightly older than the average business school student. "They'd be lost in a developed business school environment," he says.

next people down, and so on."

With human resources such a big issue, Brown decided to buy in an HR module from the Nanyang Technological University in Singapore. The course was taught by a lecturer from Singa-pore, Shi Ynwei, unlike most of the course material which was taught by lecturers at the Fushun university.

A further 10 to 15 students are being lected to take the course this year, which could be slightly shorter than the existing 10 months. All the prospective students are treating the proposal with enthusiasm and treat selection as a "significant honour", says Brown. "Motivation is extremely high. They see it as an opportunity to move up the career ladder," a concept which, until recently, has been alien to many Chi-nese. To consolidate this view the first 11 graduates have been promoted on returning to their respective companies. Some of the high-fliers could now go on to work in other BOC companies in the Asian region and some could be sent to western-style business schools. Although some students faced particular problems, the attribute of the

course that most students comm on was its "overall intensity", says Brown, referring to the length of the course and the fact that it was residential.

As one recent graduate, Zheng Ye Ping, equipment supervisor at BOC in Shanghai, comments: "We studied very hard and usually didn't go to bed until after 11pm."

Virginian cash pledge

for entrepreneurs

Frank Batten, the entrepreneurial chairman of newspaper group Landmark Communications, of Norfolk, Virginia, has pledged \$10m (£6.4m) to the University of Virginia's Darden Graduate School of Business.

The pledge means that Batten will match dollar for dollar all other donations to the school up to the \$10m ceiling. The money will go towards developing the school's programme in entrepreneurial leadership. which will bring together the three disciplines of leadership, entrepreneurial skills and business ethics. The \$10m is in addition to the Batten Challenge for Entrepreneurial Leadership's original \$3.5m fund. University of Virginia: US, 804 924 0311.

Occidental taste for Asian students

Prospective business school students in Seoul, Taipei, Singapore, Kuala Lumpur, Manila and Jakarta will get a taste of what European business schools offer with a series of forums to be beld in Asia this month and next.

NEWS FROM AMPUS

The joiot promotional tour by the 14 European schools, including lese, of Spain. IMD, of Switzerland, Insead, of France, and RSM Erasmus, of the Netherlands, is intended to persuade Asian students to study in Europe. RSM Erasmus: Netherlands. 10 452 9509.

Youth get a chance to prove their worth The UK's African and Caribbean Finance Forum. which promotes the role of those from ethnic minorities in the professional sector, is

looking for professionals from all sectors of industry to take part in a one-day seminar in London on 26 January. The aim of the day is to take 60 students through a series of workshops covering the skills needed to succeed as a professional ACFF: UK, (0)181 298 9222. • Young and aspiring managers, aged 35 and under, can enter the UK Institute of

Management's competition to write a 1,000-word article entitled "What do you need to succeed in management?" The winning article will be published and there will be a cash prize. IOM: UK, (0)171 497 0496 9200

Getting a taste of their own medicine Jannary is the month where business teachers are returning to the classroom At the London Business School, 40 husiness lecturers zathered for the International Teacher's Programme, which trains them to teach more effectively Meanwhile at Thunderbird, the American Graduate School of International Management, business professors from 24 international schools are gathering to discuss issues in global business strategy. LBS: UK, (0)171 262 5050. Thunderbird: US, 602 978 7827.

New South Wales gets new boss for its MBA

The Australian Graduate School of Management at the University of New South Wales bas appointed a new director of the school's Executive MBA program Greg Whittred, latterly professor of accounting at the school, took over as boss of the three-year part-time course at the beginning of January. AGSM: Australia, (0)2 931



many specialist visitors - the previous event was attended by more than 130,000. For denals please contact 'Exposent, ZAO', denals please contact 'Exposent, ZAO', Eas: (NT 005/205 61 55 Tel: 255 37 38 MOSCOW

·····

Name	Title: Mr/Mm/Dr	/Other
First Name	job Title	
Company Name		
Company Address		
Postcode/Zipcode	Country	
Telephone	Fax/Teles	<u>.</u>
E-mail		SMB96FT

TO ADVERTISE IN THIS SECTION PLEASE CALL KARL LOYNTON ON 0171-873 4780

THE WEEK AHEAD

DIVIDEND & INTEREST PAYMENTS

Fenner 3p

£106.25

Y690000.0

IRE4_28493

£78.75

Tst 1.6p

Y520000.0

4.8125p

Finals: Alexanders

Chinnocks

JANUARY 30

The outlook for the UK

This one day seminar will explore the key

issues shaping the electricity market over the

next decade. Themes such as 1998, generation, wholesale price developmenta, transmission,

distribution and supply will be considered. Contact: Sharon Robson, Power Ink Ltd

Tel 01730 265095 Fax: 01730 260044

Introduction to Foreign Exchange * The Market Place * Deal Types *Processing * Phyments * The Back Office Function * Ocubic Entry

Multicurrency Accounting * FX Revaluations * Arbitrage Case Study.

£425 + VAT 2 days. Contact: TFL/ Nicola Blackman Tcl: 0171-606-0084/600-2123

Practical Dealing course -

Fax: 0171-600-3751

JANUARY 30/31

Money market

JANUARY 30/31

Management

GBP 520 + V.A.T.

JANUARY 31

modern posetter

CBI Contenette Centre

oternaturnal Ltd.

FEBRUARY 5 - 7

Stock Evchanges, 3 Days 1795.

Conjuct: Ha

Lywood David International L Tel: UK 44 (0 + 1959 565820

Fax: UK 44 (0) 1959 565821

Partnering - Strategies and Realities in Winning

Construction Business.

ational Ltd.

electricity market.

JANUARY 30 & 31

TODAY ASH Cap Fin (Jersey) 91/2% Cv Bd 2006 4.75p Allied Irish Banks 10% Bd 1996 IR250.0 Alps Elec 7% Bd 1998 Y700000.0 Do 7% Bd 1999 Y700000.0 Do 7% Bd 2000 Y700000.0 BCE C\$0.68 8ZW Cv Inv Tst Equities Index Un Ln 1996/2002 1.814p **Barclays Prop Index Certs** 1997 £1.59 Do 1998 £1.59 Do 12% Un Cap in 2010 £6.0 Barlow R0.58 Bett Bros 3.65p Bradford & Bingley Bldg Scty FRN 1997 £178.09 Do FRN 1998 £179.78 British Steel 3p Churchbury Estates 4.2% Cm Pf 2.1p City of London PR 1.54p Dares Estates 1014% 1st Mtg Db 2012 65 125 Edinburgh Inv Tst 334% Db

10

- T.,

1998 £1.875 Do B 1.375p Forte FRN 1998 £1886.12 Franklin Res \$0.11 GEI Int 1.5p Govett Strategic Inv Tst 10%% \$2.0 Db 2018 £5.1875 Do 414% Db £2.125 Greenway 0.5p Do 514% Db £2.625 Guinness 10%% Nts 1997 Pacific Gas & Elec \$0,49 Halical bar Cv Pf 2.625p High Inc Tst 1.6p Perpetual 29p Hino Motors 8.9% Bd 1999 Quaker Oats \$0.285 Inco 15%% Un Ln 2006 Irish Permanent 81/2% Bd 2004 Johnson Fry Utilities Tst 1.78p Johnson Fry Second Utilities Shelton (Martin) 1.25p Kobe Steel 5.2% Bd 1998 SmithKline Beecham/ Do 5%% Bd 2003 Y575000.0 Lasmo 9%% Cm Pf 1996 \$0.06326 Macdonald Martin Distilleries A FRN 2022 £173.05 Lim/Vtg 2.75p Southnews 1.78p

Sweden (Kingdom of) 11% Ln Murray Split Cap Tst 2.75p 2012 £550.0 NEC 8.8% Bd 1997 Y680000.0 Do 5.8% Ed 2000 Y680000.0 2011 £4.9375 Toshiba 64% Bd 1997 North Surrey Water 4% Db Y675000.0 Transtec 0.7p Occidental Petroleum \$0.25 Perkins Foods Cv Pf 2005 4p \$412.50 Quality Software Products 1.5c Quebec Central Railway £2.50 TOMORROW Ricoh 7% Bd 2000 Y700000.0 Amber Ind 1.75p Royal Bank of Canada Govt Sterling Fd Inc Ptg Pf 1p Cm Pt 1.575p Scottish American Inv Equities Index Un Ln 2004 1.814p Chester Asset Receivables Smithkline Beecham A 3.2p 2000 £1773.01 Commonwealth Bank of SmithKline Beckman Units \$298.68 Sonar 2 Class A Mtg Bckd Do Und FRN (Jul 1988)

Tenet Healthcare 9%% Un Ln \$32033.33 Elliott (B) 1.2p 2001 £225.0 Do 834% Bd 1999 Y875000.0 Fluor \$0.17 Treasury 91/2% Ln 1999 £4.75 Victorian Public Authorities Fin Agency 81/4% Gtd Bd 2002 \$80.82 Witan Inv 3.4% Cm Pf 1.7p 1999 \$15.17 Y3229236.0 Anglo & Oversees Tst 414% Evershed 2.5p Treasury 812% Ln 2007 £4.25 Dealings No.1 Asset Bokd FRN Ser A \$0.532 Australia Dtd FRN Jul 1998 \$308.42 Rainford 2p Do Dtd FRN Jul 1999 \$298.68 Do Dtd FRN Jul 2000 \$298.68

\$306.47

DKB Int Fxd/FRN 2004 European Inv Bank 9% Ln First Iberian Fd \$0.07 Goodman Fielder AS0.05 Hongkong & Shanghai Banking Prim Cap Und FRN (Ser 3) Hydro-Quebec FRN Ser IN Japan Airlines FRN Jan 1998 Marston Thompson & Mid Kent Hidos 6.25p Nat West Bank Non-Cm S Pf Do Ser B \$0.4375 Do Prim Cap FRN Ser A Sanwa Australia Fin Gld Fxd/ FRN 2005 \$3229.17 Sumitomo Fin Gtd FRN 2004

WEDNESDAY **JANUARY 17** Australia & New Zealand Banking A\$0.18 Bridport-Gundry 2.22p Estates & Agency 10p Grampian Television 1.25p Halifax Bldg Scty 11% Sb Bd 2014 £1100.0 Motorola \$0.10 Penna 1p SCA 414% Gtd Cv Bd 2004 Ecu42.50 Sainsbury (J) 3.4p St Paul Co's \$0.40 Tongaat-Hulett R0.40 Treasury 21/2% IL 2024 £1.9159 UPF 2.75p Vosper Thornycroft 8.8p THURSDAY JANUARY 18

Bradford & Bingley Bldg Scty

FRN 1899 £172.81

\$31770.83

Tie Rack 0.5p

Caledonia Invs 5.9p Concentric 4.66p Echlin \$0,205 Fuller Smith & Turner A 2.92p Lloyds TSB 68.3p Lon & Overseas Freighters \$0.0025 Lucas inds 4.9p Merrydown 2p Mitsui Fxd/FRN 1999 Y189272.0 Waddington (J) 4p FRIDAY **JANUARY 19** Abbeycrest 1.2p BPB Inds 3.35p Barings Gtd FRN 2001 \$306.67 Capital Radio 7p Dailywin 3p De La Rue 7.25p Dunedin Worldwide Inv Tst 7.10 Exchequer 9%% 2002 £4.875 Faber Prest 11p Falcon 2.5p

Hogg Robinson 3.3p

King & Shaxson 4p Do 5% Cm 2nd Pf 1.75p Lonno Fin FRN 1997 \$183.68 M & G loc lov Tst 1.05o Do Geared Units 1.055 Do Package Units 1.05p Marks & Spencer 3p McKechnie 11p Rexmore 1.30 Rowlinson Sec 0.31p Shaw (Arthur) 0.2p Treasury 2% IL 2006 £2.15 Wainhomes 1.5p Wells Fargo Sb FRN Jul 1997 \$158,13 Young (H) 2.7p # SATURDAY

1353

B

Tim

Jacasor

ine i

NI

JANAURY 20 Bradford & Bingley Bldg Scty 115% Per Int Brg £581.25 British Sleet 11:5% Db 2016 £5.75 SUNDAY **JANUARY 21** Courtaulds 4.3p Latin American Extra Yield Fd \$0.15

UK COMPANIES

JANUARY 17-21

Art Fair

A superb presenta

Tel: 0121 767 2760

E TODAY COMPANY MEETING: Western Selection, Honourable Artillery Co., Armoury House, City Road, E.C., 11.00 BOARD MEETINGS; Finals Coda PWS Second Consolidated Tst Interims: Intelek Tomkins COMPANY MEETINGS:

The Lapada Antiques and Fine

LAPADA together with a truly captivating

ambience makes this an occasion to be enjoyed

by the counciescur and the collector alities.

Enquiries: Linda Colban - Centre Exhibit

JANUARY 18, FEBRUARY 15

& MARCH 21 Business Angel

The one day workshops cover the

practical issues of raising and making

equity investments io small, unquoted

companies and start-ups. The workshops

are run by VCR, which has 17 years'

experience of securing investment from

Business Angels. For: @ Businesses

seeking capital for expansion .

Entrepreneurs looking for start-up equity

capital

Business Angels

Professional

advisers. GBP 150 + VAT. Includes a copy

of The ICR Guide to Venture Conital in

the L'K and Europe tusual price £1001.

Investment Workshops

ion by 100 members of

NEC -BIRMINGHAM

Aivis, Savoy Hotel, Strand, W.C., 12.00 Farepak W.C., 12.00 McCarthy & Stone, Homalife House, 26-32, Oxford Road, Bournemouth, 11.00 Sanderson Elec, Grosvenor House Hotel, Charter Square, Sheffield, 12.00 BOARD MEETINGS: Enale: WEDNESDAY JANUARY 17 COMPANY MEETINGS: Capital Radio, Euston Tower, N.W., 12.00 Tadpole Technology, Trinity Centre, Cambridge Science Park, Milton Road, Cembridge, 11.00 Microgen Quality Care Homes Interims: BOARD MEETINGS: Finals: First Leisure Debenham Tewson & rish Conti ental Interims:

UK Land

Budgens Dudley Jenkins Nobo Photo Ma Stanley Leisure THURSDAY JANUARY 18 COMPANY MEETINGS: Concentric, Belfry Hotel, Lichfield Road, Wishaw, Warwicks, 2.30 Dunedin Worldwide Inv Tst, Dunedin House, 25, Ravelston Terrace, Edinburgh, 12.00

Euromoney Publications Stationers Hall, Ave Maria Lane, E.C., 9.00 E.C., 9.00 Govett High Inc Inv Tst, Shackleton House, 4, Battle Bridge Lane, S.E., 12.00 Henderson Strata Invs, 3, Finsbury Avenue, E.C., 2.30 MY Hidgs, Windlebrook House, Guildford Road, Bagshot, Surrey, 10.00 10.00 Morland, The Brewery, Ock Street, Abingdon, Oxon, 12.30 River Plate & General Inv Tst, Knightsbridge House, 197, Knightsbridge, S.W., 10.30

Finals: Brunner Inv Tst Hill & Smith Nectronics Tech Premier Land Interims Heiton Magnum Power McKay Sec Ransom (Wm) Tottenham Hotsou

Royal Bank of Scotland, Balmoral Hotel, Edinburgh, 12.00 BOARD MEETINGS: Vega E FRIDAY JANUARY 19 COMPANY MEETINGS: Aberforth Smaller Co's Tst Brooke Tool Eng Abacus, Abacus House, Bone Lane, Newbury, Berks, 10.30 BOC, Savoy Hotel, Strand, W.C., 11.30 Bellway, Copthome Hotel. Quayside, Newcastla upon Tyne, 12.00 BOARD MEETINGS: Interims: Abtrust Lloyds Insurance Tst British Bloodstock Agency

Mittie Park Food

Company meetings are annual general meetings unless otherwise stated.

Please note: Reports and accounts are not normally available until approximately six weeks after the board meeting to approve the preliminary results.

FT World Steel - Towards B

The second World Steel cooference,

organised by FT Conferences in

association with CRU Internotional

Limited, will discuss the latest structure

developments in the sector and consider

supply, demand and trade issues. These

themes will be addressed from both user's

Tel: 0171 \$14 9770 Fax: 0171 873

LONDON

ġ. N

First

By Alan C. Ing

Let a

1

10 _{14 11}

- 1

a.

Ъų.

an Ala Ala Ala

ър. d IC.

20101 $|| \in \mathcal{A}$

Di-Di-Makes

 $\lambda_{MA,d_{M}}$

¢....

đại Chuy

Truly Global Industry?

and producer's perspectives,

Enquiries: FT Conference

MARCH 26 & 27

3975/3964

MARCH 21 & 22

CONFERENCES & EXHIBITIONS FEBRUARY 6-7 FEBRUARY 19-20 Developing The New IT Introduction to Documentary Scorecard: How to Measure and Credits Manage the Business Value of This fou Information Technology skills of prade fmance. . Letters of Credit,

Collectiona, Acceptances. Forfeiting, Factoring • Sentement, Documentation • Back-to-Back, Transferable and Revolving Credits . Countertrade, Credit Insuran 2 Days £595 Contact Fairplace Tel: 0171 329 0595 Fax: 0171 329 3853

This meaning seminar with lunch is designed to provide an economic and political and tax planning backtopp to a possible change of government in 1997, Planning now, paracskrift before 5 April 1996, could pay substantial dividends in sufguarding anexts and income from a voncions memory. Keynos Spoaker The Right Honourable, The Lord Parkinson, other speakers from the worlds of laxation and economic This manine seminer with bunch is designed to

Contact Juliet Moss for further information a LONDON

FEBRUARY 20 9th OI Price Seminar Managing the long-term risk This occuber event of IP week, sponsored by NYMEX, and almed at traders, man risk managers and forecasters will look a estors' risk associated with uncertain

of long-term project revenue. Exhibitions by oil proceinformation suppliers. Consiste Catherine Cosgrow ute of Petrol Tel: 0171 467 7111 Fax: 0171 255 1472 e-mail InstPageityscape.co.ul

LONDON FEBRUARY 20 - 21

FEBRUARY 26 & 27 FT New Media & Broadcasting

Conference on course provides a source The fifteenth FT Conference will explore nding of the products, techniques and how the convergence of computer. telecommunications and broadcasting technology is opening up a huge range of new business opportunities, ranging from 500 channel diates) satelline services to video-ondemand by way of cable relecommunications. Enquiries: FT Conferences LONDON

Tel: 01225 466744 Fax: 01225 442903

performance of a company and improve world competi Tel: 0171 896 2626 Fax: 0171 896 2696/2697 LONDON

MARCHS

World Class Credit

FEBRUARY 27 City Regulation - The Financial Services Act After Ten Years features such authorities as Mrs Apgeln Knight of the Treasury, Smart Bell of the Labour Party, John Plender and Andrew Winckies Sponsors: KPMG, Clifford Chance, CSFI and London Guildhall University. Information from: Cityforum Ltd

LONDON

ences. Speakers include: Dennis Turner, Hend of Business Economics, Midland Bank Pic; Richard Lapthorne, Finance Director, Brilish Aerospace Plc; Horry Reilly, Finance Director, Land Rover Vehicles. Contact Sheila Simmons at ICM. Tel: 01780 721888 or Fax: 01780 721333 LONDON MARCH 13

The theme of the 1996 Institute of Credit

Management National Conference will

focus on the contribution credit

management can make to help build the

Understanding Deregulation One day conference to explain the Deregulation process. Speakers include: The Rt Hon Roger Freenan MP. Chancellar of the Ducty of Lancaster, Richard Cabom MP, Labour spokesperson: Robert Rodgens, Clerk to the Decendation Compliance

Contact Jackie Nixon, The House Maga Tel: 0171 233 1388 Fax: 0171 976 0861 fax 1278 LONDON

MARCH 18 The Foreign Exchange Market: Surviving the Revolution Major International conference fucuain some of the major changes which will affect the FX protessional in the next few years. In particular the conference will look as two means the work currently being undertaken to make European Monetary Union a practical proposition and secondly the changing structure of the fx market. Organised by Dow Jones Telense in association with Cognosee Autodealing and Technical Data, Contact: Arielle Savons, Dow Jones Telerate

Tel: 0171 532 9737 Fax: 0171 353 2791 LONDON

MARCH 20 Industry Forum Labour & SMEs;

Leveraging Knowledge for Sustainable Advantage The Growth Agenda A two-key conference exploring ways in which One-Day Conference, Speakers: Rt Hon Tong companies can impane, shim: and exploit their organisational knowledget for breakthroughe pr Blair MP, Rt Han Magainst Booken MP, Barbart Roche MP, Tim Melville Ross, Michael Hynes. business performance. Practical strategies for Stan Mondham (FPB), Jan Peters (Nat West). converting individual know-how into an Suphen Hall (BVCA), Ron Toylor (BCC). Dennis & Booking call 0171-222 (200/

LONDON

The 15th International Conference and Exhibition

fin conjunction with Water Quality International, 18th Biennial IAWQ International Conference)

on Human Tumor Markers

□ The PC Show '% Sungapore

C Pro Audio & Light Asia '96

Valves & Piping Asia 96

TurboPower Asia '96

Punfication Asia '96)

Pumps & Systems Asia '96

Systems Asia '96

Corrolex Asia '96

2 Polluler Asia '96

Compressors & Systems Asia '96

D Filtration, Water & Waste Water Treatment

HVAC ASIA '% (incorporating Air Filtration &

Incorporating Non-Destructive Teating Asia '96)

and the second second

Aqualech Asia '96

contractional resource. Contact Business Intelligence Tel: 0181 543 6565 Fax: 0181 544 9020 LONDON

Delivering business where is a recognised priority for IT. The challenge lies in translating this goal into a measurable strategy. Packed with the Intest thinking and practice, this is the only UK event where you will discover how to develop and implement a bulanced IT scorecard. Contact Business Intelligence

FEBRUARY 7 Tax Planning with the Election in mind.

Training in traditional Cash markets including repos and short term derivatives Hughes Allen Chargered Account 0171 583 7575 Fac: 0171 583 2011 (Futures and FRAs) . risk identification ion, product pricitig, posi management . opportunities to test

Tel: 01865 784411 Fax: 01865 784412 OXFORD

JANUARY 23/24

Venture Capital Report Ltd.

Contact Clare Walter

Practical Dealing course -

Foreign Exchange Training in Spot and Forward FX dealing for trainee/innior dealers and Cornera treasury personnel, also ideol for ACI Diploma candidates. Highly participe course including use of WINDEAL IPC Window + based dealing simulation]. Training effected by practitioners with many years' market experience. GBP 530 + V.A.T. Lywood David International Ltd. Tel: UK 4410 1 1959 565820 Fax: UK 44 (0) 1959 565821

JANUARY 24 & 25 Intermediate Swaps

Definition - types "Pricing & Quotation Market Terminology * Cost Structure * Generic Swap * Non-generic Swaps * Promy the Frond Sale * Amortoing Swaps * Receivals (Cancellations) * Cutterics, Asset, Genera: Asset Swaps * Risks and Hedging * Admirace, etc. * Case Mudies Throughout (\$20+VAF11dar) Contact TFL: Nacola Blackman 3-11071-006-0054-600-2123 Ed. 0171-000 /751 LONDON

JANUARY 25/26

Introduction to Capital Markets frammy course sovering Bonds, Equines and introducing their derivative markets (Future) and Optimiser A practical course with case studies, incestment pricing and real identification currence - intended for proter securitics personnel, trainee dealer quiterns development and other support LAN GRUSSON VAT. Lywood Derid International Ltd. Tel: UK 44 (0 + 1934) 565870 Fac. UK 44 (0) 1959 565821 LONDON

JANUARY 26 Investor Relations

Measuring the effectiveness of your IR activities, the revanited City, building a meaningful international shareholder base. , russ border work, 1446 shareholder moduement to governance, the executive pensions timebamb: Leeping one step ahead of complex initiations issues. Sneakers BP, Morgan Stanles, Merrill Lunch, PIRC, Frew MacMaster, MORI, Venue: Law Society, London, Contact: Bass Associates Seminals Tet (17) 436 4486 Fee, 0171 436 4478

LONDON

JANUARY 29 Florida - Coordination of business with Latin American markets

Hall des semenar on Florida's capacity to add value to make and other services depaned for Lasm American markets. Speakers include Leutenant Governor MacKay, Sir Nicholas Barear MP and representatives from Barclays Bank, Breish Anways, Citibenk, KPMIC, Seed Hostor & Davis and others For details contact the Corporate Office. Canning House, 7 Belgrave Square, London SW1X SPJ, Tel. +44(0) 171-235-2303 Fax, +44 BH 171 135 3557

LONDON

DEAL PC bos FEBRUARY 8 & 9 dealung simulation. For Corporate treasury personnel and financial institution dealers, also ideal for AC1 Oiploms candidates. Advanced Documentary Credits A course to meet the needs of bankers experienced in international trade who want GBP 520 + V.A.T. Lywood David International LaL. Tel: UK 44 (0 1 1959 565820 broaden their knowledge of complex. actions. • The Contractual Obligation Fax: UK 44 101 1959 565821 of bunks and their Customers . Transferable LONDON

LONDON

LONDON

and Back-to-Back Credits . Standby Cred vs Guarantees . Risk, Avoidance, Fraud Case Studies. 2 Days £595. Introduction to Fund Contact: Fairplace Tel: 0171 329 0595 Fax: 0171 339 3853 Basic entry level training course cover the main asset classes, modern perde theory and how investment decisions are reached. Also covers Regulation and elient FEBRUARY12 - 14 **Basic Accounting Skills for** reporting - n practical course with case Non-Financial Staff udies, pricing and risk identificati Understanding the essentials of accounti and funncial analysis. - Basic Accounti exercises - intended for junior fund manngement personnel, systems development and other support staff. Principles, Financial Statements · Profit & Loss, Balance Sheet · Cashflow Budgeting.

Manngement Accounts, Breokeven Financial Evaluation, Key Ratios Sensitivity Analysis - The 'Language of Finance', J Days 2650 LONDON

Contact: Fairplace Tel: 0171 329 0595 Fax: 0171 329 3853 LONDON



CBI Contentive Centre Boolang & Henley Event Management Tel: 0[564-7941881/fac:0]564-7051841 LONDON FEBRUARY 19 JANUARY 31 - FEBRUARY 1 European Competition Law: How it affects your business. Join us at the above seminar to breaden your knowledge and understanding of the CRINE 1996 Conference Learning to Survive The Interactive programme includes wope of competition law, the latest developments and its impact on your workshops and open torum sessions groups delegates a unique opportunity to influence the future direction of the CRINE initiative. husiness. Speakers: Jacques Batart and Colin Long from Coulert Brothers Para / London. Guest Speaker: Commissioner Details and registration form: Conference Associates and Services Kurel Van Miert

Contact: Delores Broni. The Economist Conferences. Tel: + 44 (0) [7] 830 1076 Tel: 0171 499 (900) Fax: 0171 629 5255 QUEEN ELIZ WETH II CONFERENCE CENTRE LONDON Fax: +44 (0) [7] 409 3295.

FEBRUARY 1 & MARCH 14 FEBRUARY 19 Successful Turnaround Strategies Oil and Gas in the Global A unique seminar for non-executive directors, economy - the outlook to the venture capitalists and institutional lineacier providing an insight into this highly complex subject. The programme leads participants millennium This Conterence null look at the worldwide through the diverse issues in olved in corporate political, economic and environmental contractends including: I armanound strates concerns that form the background to those and a sourcementation and a subwho make business and investment decentry and their advisors - from exploration to for a containing, with guest presentation from Howard Dyer, Hamleys & Ascol retining, production to retailing, and to those Holdings Pic and Dr Sourt States, LBS. Contact: Julie Hough, Touche Ross & Co. who serve the oil industry. Contact: Conference Department summe of Petroleum Tel: 10171-303 0004 Fax: 0174-303 5927

LONDON Tel: 0171 407 7100 Fax: 0171 255 1472 FEBRUARY 19 - 20 Introduction to Capital Markets

Fixed Income Portfolio The techniques and products used by vers, ini estors and intermedianes in Management the domestic and international capital This course is relevant to a broad range of financial services professionals including fund managers, investment bankers, markets. · Background and Development of Domestic and International Markets, analysts, brokers and investment advisers Dismanucliation, Security ation, Regulatory Framework · Fued Floating Eurobond Government Bonds, Ratings - Currency and Interest Rate Rick - Equity Finance, Listings,

as well as corporate and local government treasurers. . Asset Rusk Classificati Bonds • Hedging Pontfolio Risks • Bond Derivatives, 2 Days £595 Contact: Fairplace Tel: 0171 329 0595 Fax: 0171 329 3853

Tel: 0171 329 0595 Fax: 0171 329 3853 LONDON

a Securit Internet

> How our your business make money out of internet? What is bring done thrus secure online payment? How do you ereste subscription based services? UNICOM - who have provided IT services for over 10 years our UBM, BT, Unipelm-Piper, M present USM, BT, Unipulm-Puper, macane Debenham, The Guardian and others at the Asugniha manor house, Surrey, c 01895 256484 f; 01895 813095

GREATER LONDON

FEBRUARY 20 - 21 Interactive Multimedia Marketing

LONDON

LONDON

LONDON

LONDON

LONDON

Planning to incorporate the new media into your marketing strategy? Interested in the implications of inter-activity? From the grand scheme to the nituy-griety, KPMG, Ogilvy & Matther, Emerg, The Economist, Unipatra -Pipeta and others provide n convertentive insight into an area which no busaness can inflored to neglect. For store details of this UNICOM sentitur: L: 01895 256484 f: 01895 813095

ennil: John Junk om caut LONDON

FEBRUARY 21 - 23 Introduction to Derivatives It is vital for bunkers nt the leading edge to be fully negusinied with the risks not rewards of new and sophisticated market instruments. This course provides an excellent practical introd ction to this complex area. • Background/Development of Derivatives Market • Ourrency/Interest Rate Ocrivatives . OTC vs Exchange Trailed Options . Oil and Netal Swaps, FRA's J Days CT95. Contact: Fairplace Tel: 0171 329 0595 Fax: 0171 329 3853

LONDON

FEBRUARY 22 Minimising the impact of decommissioning This conference will concentrate on the key activital issues affecting the decomplicationing of offshore installations. Public concerns for the environmental neur bas become compount, bas

how can this be balanced against the competing factors of safety and cost? Contact: Conference Dept. inte ol Perrok Tel: 0171 467 7100 Fax: 0171 255 1472

LONDON FEBRUARY 22

Transforming Your Business Managing business transformation to achieve better results can be a matter of survival. It presents real challenges for those driving the change process. At this event hear from four service people who have been personally involved in the successful transformation of their own contributions, Rolls Rouce Motor Cars, London Electricar Services. Digital Equipment, National & Provenand Building Society Contact Stream Morgan at The Industrial Society.

Tel: 0171 839 4,900, Pax 0171 839 3398 LONDON

FEBRUARY 25-27 Investing Worldwide VII Emerging Markets: Practical Insights and New Technologies General sessions will discuss research and poniolio management rechniques applicable to constrainty and pre-emergency reco ets around the world. A series of country-specific workshops will facus on the onlyte characteristics of Edividual emergine medices Contact: AIMR to the USA: Internet:

http://www.ainu.com/ains.html Tel: 118041980-3663 Fax: 118041980-9755 E-mail: inforgainm.com LONDON

4.7 June C Broadcast Asia '96 12-15 June Techno Trade Asia '96 incorporating

Intersubcon Asia 96 D Fastech Asia '96

EXHIBITION CENTRI Singapore A FT I WITH CT ton Baard, Int Floor, Ga an History, 136-1 to Regions' Stoort, Landau WCR SFE, Unsted Mingdons, Tel: (0): 1145" 0013 East (01") 134-10 CAP

will sweep cleaning specialists off their feet.

SINGAPORE

HERE'S what you can get your hands on.

16-19 June

20-23 June

24-26 June

10.12 July

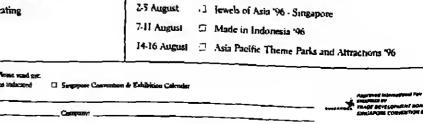
23-26 July

1 May	Labelenpo Asia
4 May	TRESORS - The International Fine Art & Antiques Fair for Asia

- 15-18 May 🖸 SIBEX 96 The 14th South East Asian International Building & Construction Exposition (AIF)
- 17-19 May D ADEC '96 Asian Diver Exhibition and Conference
- 22-25 May D The 2nd Asia Pacific Exposition and Conference on Multimedia & CD-ROM
 - C Professional Audio Technology 96 MobileCommAsia '96

 - (incorporating CableSal '96) (ALF) C CommunicAsta '96
 - (incorporating MobileCommAsia '96) (ALF) C NetworkAsia '96
 - (in conjunction with CommunicAsia '96)
- □ Intersurface Asia '96
 - Promotested in the forthcoment events. Please ward are

most information about the Exhibitions indicated



TO ADVERTISE IN THIS SECTION PLEASE CALL LUCY BATIZOVSZKY ON

MEDIA FUTURES

Personal computers are bard to like. When they fail to work as expected, they are irritating, counter-intuitive, and a tremendous waste of time. When they do work, on

the other hand, comput-Tim ers are just there. They do Jackson the job; but it is the document, the drawing, the spreadsheet, the e-mail message or the Web page that is interesting.

That is probably the view that most people take of their computers, but it is by no means universal. A small minority of computers - the ten

per cent or so that are Apple Macintoshes - arouse real enthusiasm, and sometimes even love, in their owners. The Mac user can be spotted a mile off. He or she will talk about the neatness of the computer's design; about its intuitiveness and ease of use; and about the way in which you can switch on a Mac and start work right away without wasting time learning about computers or the software. It will not be surprising, therefore, if

Mac users react more powerfully to the news of Apple'a problems than others do. While the rest of the world is largely indif-

ferent to the losses that the company revealed last week, and to the rush for the doors that those losses provoked among the company's senior sxecutives, Mac users can be forgiven for being more wist-ful. For them, a world without Apple - a prospect that is now more real than ever before ~ would be a very different world

from that of today. When the Mac first hit the market, its principal competition was the IBM platform, which ran an operating system so hurriedly and shoddily designed that the company from which Bill Gates bought it on the cheap called it QDOS - Quick and Dirty Operating System

The later commercial success of the PC standard, which curtailed the Apple offering to a tenth of the market, gave Mac owners a siege mentality, combining smug contemplation of their own virtue with justified anger at the victory of a clearly inferior technology.

Business pundits warned that by refusing to follow IBM's decision to license its technology to all comers, Apple had con-

Why Mac users fear the future

demned itself to spreading research and development costs over a far smaller sales volume and signed its own death warrant. Yet Apple's products continued to command a price premium which brought it a important respects. First, it was only good living. The PowerBook range of note-

Mac for years. in a literal sense, that was true. But Apple's approach missed the point in two

Apple users who cared whether the good

A world without Apple would be a very different world

book computers was an outstanding success and software houses' willingness to develop products for the Mac platform was surprising given its market share.

That party ended abruptly when Microsoft unveiled Windows 95 last August. Apple and its acolytes were derisive. The company even sent out earplugs to journalists to help them escape Microsft's "noise", and published newspaper ads trying to remind the world that the features which Microsoft was touting as new and

things in Windows 95 had been invented at Apple. (Even they faced some difficulty on this point, since many of the important features of the Mac were actually developed at Xerox's Palo Alto research centre in the 1970s.) To everyone else, the dispute over the fine points was as pointless as the wars in Gulliver's Travels between the Little Endians and the Big Endians, who differed about whether one should break open a boiled egg at its pointed end.

The second respect in which Apple's

exciting had already been available on the approach was misguided was that, by drawing attention to the similarities between 1995 vintage Microsoft technology and 1985 vintage Macintosh technology, Apple unwittingly underlined its own slowness in moving forward from the Macintosh operating system.

Although not many customers are aware of it, Apple does have a next-generation

operating system in development. The new OS, which is now being released to developers for evaluation, was intended as a Windows 95-killer. But the project has run so late that Windows 95 will probably achieve a commanding position before the launch of the new product not only with consumers, but also with software houses. Apple's problem is that to win back market share from from Microsoft, the new operating system will now have to be quite outstandingly good.

The pessimistic conclusion is that the company faces s vicious spiral of declining market share, rising costs, shrinking resources and greater difficulty in deliver-ing innovative technologies - and that

though the Mac and its descendants will undoubtedly be around for a while, the battle for the PC desktop can be formally declared over.

A more sanguine line of argument form Apple's point of view is that Apple has confounded its critics before. Even after the most recent defections, the company's ranks include some of the world's most talented computer scientists. Insiders also believe that the company possesses a number of outstanding technologies that will make Apple a takeover target even if its core computer business becomes fundamentally unprofitable.

Whichever view is correct, Apple and its creators still deserve thanks from even the least interested computer user. It was only the irritating example of the Mac that prompted Microsoft to develop a half-decent operating system.

What matters from now is simply that some company should act the role of thorn in Microsoft'a side for the future. Some say that Netscape's Navigator is moving in to fill the void. Apple's top management and its shareholders must hope that is mistaken - and that the Mac's descendants will again set the computer industry

Tim Jackson@gobox.com

· A renaissance of radio for emerging markets

Information affluence for all is nearer, writes Raymond Snoddy

r Noah Samara gave up his doctorste studies on the Renaissance to concentrate on something more practical - the emerging field of space and satellite law.

The change of direction has led him to try to create one of the most ambitious communications projects ever put together for radio: the launch of no less than three digital satellites to broadcast hundreds of higb quality radio channels to portable digital radio sets throughont the emerging world markets of Central and South America, the Middle East, Asia and the Far East.

1.2

More than \$650m (£422m) has been raised for the WorldSpace project, the satellites have been ordered from an international consortium led by Alcatel Espace, the Alcatel Telecom subsidiary, and the first satellite is due to be operational by the middle of 1996. Samara, chairman and chief executive of WorldSpace, learned enough about the Renaissance to appreciate the Importance of the accumula-tion of information and knowledge that preceded it, particularly through the rediscovery of lost texts of the Latin world. A US citizen of Ethopian-Suvision and a sense of social responsibility.

danese origin, Samara is

used the American investment likely to range from pop music bank Morgan Stanley to raise the finance, so far, from tional wealthy private individuals. A public offering to raise a further \$200m is expected. The digital radio choice that

conventional transmitters. The WorldSpace chairman the WorldSpace system will be able to provide will be unparal-led. Each of the three satellites says be has just signed an agreement with the Ghana Broadcasting Corporation to - one aimed at Africa, one South America and the other broadcast its services. He is Asia - will be capable of broadtalking to the World Health Organisation about the possi-bility of a channel and hopes casting 288 channels suitable for talk radio. The capacity can

The key to the success or failure of the venture, and the most difficult problem to solve, is ensuring that the digital portable radios are affordable

that organisations such as the BBC World Service will also alternatively be used for 144 channels of mono-music or 72 channels of near CD quality decide to be customers. The key to the success or failstereo sound, or more probably a mixture of all three. ure of the venture, and the WorldSpace is a private-secmost difficult problem to solve, is ensuring that the digital por-table radios are affordable for tor profit-making venture, but one which is likely also to attract contracts with governthe potential audience. "We had to get the cost as low as we could and use as ments and official bodies. Samara believes it is possible much off-the-shelf technology to create a radio network "with

satellite and the signal would be picked up through an array of patches embedded on the surface of the radio case. A and entertainment to internabroadcasters and national broadcasters who have difficulty reaching all detachable aerial could also be their national territory using mounted on a small tripod on the ground or attached to a window frame. "The radio will be extremely easy to use: just point the flat antenna in the approximate direction of the satellite and enter the programme identification number on the small numerical keyboard," WorldSpace says. The listener will then have noisefree, fade free reception. Dr Karl-Heinz Brandenburg

from the Fraunhoffer Institute in Erlangen, Germany and a specialist in digital radio, has been involved in investigating the WorldSpace proposals for a \$100 receiver.

"At first we were suspicious. We did not think it could be done, but we have changed our mind. It will still be tough and It means using all ideas to reduce price. But it is possi-

ble," said Brandenburg. The Fraunhoffer Institute, which has been involved in drawing up new international standards for digital radio compression technology, is now under contract from Alcatel to work on various options and prototypes. During the evaluation of the WorldSpace proposition, the institute even came

up with some ideas of its own



11

of

a-

ц**г**-

ld

æ

te

equally convinced of the importance of increasing information flows to the developing world, and in particular to people who often have to rely on little more than crackly sbort wave radio for their communication with the outside world. "Information is a necessary though not a sufficient engine for development. This is a project that will deliver information," says Samara, who has

WorldSpace, based in Washington DC, will lease most of its capacity to broadcasters but will reserve up to 90 'channels for a subscription radio service (to be known as World Premier) which will be aimed at credit card holders in the transmission area. This will offer data, paging services and even the delivery of text and video to the new receivers.

on initial orders of between 1m and 2m sets. "Over five years we should get closer to \$50. We are talking about a market place which already has over 1bn radio sets," the WorldSpace chairman argues.

as possible," says Samara.

be target to begin with

pointed in the direction of the The broadcast offerings are

is that the radios should to reduce the cost. The plan is to have all three cost \$100 at retail based WorldSpace satellites in operation before the end of the century. "This project is fundamental.

It's going to change the world. It will deliver all kinds of information and will create information affinence in regions Portable aets would be where there is now an information dearth," Samara promises.

First facts about Europe's Net

By Alan Cane

Today's European Internet user is likely to be aged between 22 and 36, earning between \$20,000 (£13,000) and \$30,000 a year and spends between six and 10 hours a week in cyberspace. He (only 12 per cent of users are female) may have made a purchase via the World Wide Web, the fastgrowing portion of the Internet offering full colour images, sound and moving video pic-tures - and would be much more likely to do so if security were improved.

These are some of the results of a survey by Durlacher, the London stockbroker, as part of a substantial report on the investment possibilities of the Internet in 1996. Among its funding are:

• By 2002, there will be more

Cyber sightings Teo thousand management consultants in one place may sound like a Monty Pythonesque vision of Hell, but ConsultantsNet (www.enterprise

support.co.uk) offers just that. The database covers every management discipline and the Web site matches needs with the available UK talent. There's a £250 fee for project placemeut and for consultants

joining the database. If your management tastes are more esoteric, The Foundation for Performance Management (*www.fpm.com*) is an international organisation of

.....

connected to the Internet. There will be 150m global sub-Is the Internet, therefore, a sound investment prospect? Mr scriptions to on-line aervices

by the same date. David Tabizel, director of research st Durlacher Multime- The first wave of successful, that is, profitable, Internetdia and co-author of the report, says that US experience sug-gests investors have to spread related businesses will come from internet access service provision, software application their funds over 30 internet companies to be sure of a win-ner. That success, however, provision, consultancy and hardware such as network servers and modems. The secwould pay for all the rest. Mr Tabizel believes the ond wave will be dominated by brightest new investment proscontent provision. • Retail sales on the Internet are still very low, but will pect is for intelligent software agents capable of searching the Internet for information, prod-ncts and services. The report increase exponentially with the arrival of commonly accepted security standards by mid-1996. suggests the major telecommn-

nications companies are not The most popular content yet taking the Internet seri-ously enough, although he on the internet is aex with research, travel and regional content some way behind. Of says the situation is changing. the 25 most frequently Last week, for example, accessed Internet groups, 10 France Telecom said it would

directors, consultants, aca-

demics, and government bod-

ies, committed to extending

the measurement of business

performance beyond conven-

tional accounting and finan-

cial procedures. interesting site, with a directory of mem-

bers, discussion groups and

· Paris-based World Media's

site (www.worldmedia.fr/wm)

has information on the situa-

tion in the former Yugoslavia,

including Sarajevo Online,

highlights from the Bosnian

press translated into English.

US state department informa-

tion on Bosnia can be seen through the Federal News Ser-

vice's Capitolwatch (www.

capitolwatch.com), which also

has a good range of political

• Venture Cspital report

(unnu.demon.co.uk/vcr1978) is

and election links.

.

resource links.

than 200m people worldwide are dedicated to circulating provide access to the Internet connected to the Internet. crotic pictures. from anywhere in France for the cost of a local telephone call

"With bugely attractive potential margins of around 30 per cent," the report says, the companies "can be expected to move aggressively into the Internet provision basis". The barriers include the pos-

sibility of referral to competition anthorities and a lack of the necessary hardware and software skills.

The report predicts British Telecommunications and Microsoft, the US software giant, will eventually share at least 25 per cent of the UK market.

The Internet in 1996: An Invest ment Perspective. Durlocher Multimedia, 10 Throgmorton Avenue, London EC 2N 2DL. 350 including regular updates.

China, A nice, browsable site

it features information on real

estate, business opportunities

and recent laws affecting for-

• Finally - and only if

you've got a couple of hours spare - check out The Riddler

(www.riddler.com) from Inter-

active Imaginations. It's a

series of fascinating virtual

treasure hunt and trivia ques-

tion games that require more

than a hit of attention. Click

on the game board and settle

stevelamcgook.demon.co.uk

eign investors.

back.

That's why we're their new stratégic partner.

is serious business

at Ford.

Funny, isn't it, how views of the future change so rapidly. Just ask any corporate visionary you happen to meet. Better yet, watch the news.

Because on December 19th, 1995, Ford Motor Company and SDRC impacted the future of the automotive industry, with the announcement of the Ford-SDRC strategic technology partnership.

Two years ago, when Ford began evaluating CAD/CAM/CAE software companies, they were searching for a vendor. In SDRC they found a partner, selecting us for several compelling reasons.

First and foremost was our technology heritage of nearly 30 years in mechanical design, engineering, and manufacturing automation. As the leader in engineering-driven design. SDRC will add value to Ford's ever-sharper focus on technology.

Second was that, when Ford learned of SDRC's goal and vision --- and of our proven record in process re-engineering --- they knew our strategic directions and corporate philosophies would match beautifully.

<u>ب</u>

Third, Ford knew that SDRC already possessed an advantage they prized: the integration of product data management and CAD/CAM/CAE. This marriage of technology is not wholly understood or capitalized upon by the manufacturing world at large. much less by any SDRC competitor. But at SDRC, our enterprisewide teams and tools create true concurrent engineering environments for our customers.

Finally, in an industry that emphasizes the technical, it would be easy to underestimate the importance of the human element. But Ford did not. Impressed with the quality of SDRC people and our consultative technical services approach. Ford decided to make us all partners in their quest for enhanced automotive quality.

Thank you, Ford, for setting a powerful new competitive standard. As for other companies looking for the path to success, call 01462-440222. And keep your eves on the future. Because that s where you'll find SDRC.

We Engineer Your Success."



Structural Dynamics Research Corporation (UK) Limited, Milford House, Priory End, Hitchin, Hertfordshire, SG4 9AL; Phone: 01462-440222; Fax: 01462-440522; NASDAQ (SDRC); Internet: http://www.sdrc.com/ SDRC is a registered trademark of Structural Dynamics Research Corporation.

 Findex (www.findex.com), put op by the St Clair Financial Index, is a searchable database of financial media and institutions which is a nseful, easy-to-use site once you get past the 'lobby'. It has the distinction of including Citibank's investment guide to Trinidad and Tobago, which contains more information on that country than any reasonable person could use in a lifetime. Trust me.

newsletter, updated monthly, which is available on a free trial subscription basis for

potential investors. Subscrib-

ers pay £300 a year, while

entrepreneurs can have their

business plans listed.

 Business Beijing (unuu) omericasia.com) bills itself as The Insider's Gateway to China. An online source for business, government and a UK investment opportunity travel data about mainland



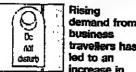
Exhibition of advice

12

Regular travellers and corporate buyers will be able to get advice and updates at the Business Travel 96 exhibition, which runs from February 14 to February 16 at London's Business Design

More than £20hn is spent each year on business travel, according to Alistair Spurr, director of the exhibition, and seminars at the exhibition will include negoliating with suppliers, planning and arranging business travel, and managing travel expenses. For travellers there is advice on security and jet lag, getting

upgraded and negotiating hotel discounts.



is particutarly strong.

their ronms for the full, or

"rack" rate rather than

offering discounts,

Hotel bookings increase

of handcuffs, says the company that runs the increase in airports in one of the hotel bookings of 45 per world's most crime-ridden cent by travel group countries. American Express in spite of

Passengers surrendered an increase in hotel rates of 2,488 firearms to security staff between 10 per cent and 15 at Johannesburg International per cent, says the company. airport during November and It adds that demand for December, and more than 800 four-star and five-star hotels knives were confiscated from International and domestic Howevar, this is not such engers in the same good news for travellers as period. it means that hotels can sell

The airport says it believes the seizures indicate concern over South Africa's high violent crime rate.

Arms and the traveller

First-class fare offer



Airways are valid for a minimum stav of seven days and a maximum of three months, and passengers must travel together on flights. Return fares to ingkok start from £2,999 Air Canada is lifting capacity on its routes between the UK and Canada

with additional flights from the UK.

The airline, one of several to after a hybrid business/ first class service -"Executive First" - from London, has one way business class fares from £1,171 to Toronto, its main business destination in Canada. Scandinavian Airlines System is to add two new routes from Copenhagen with daily flights to Nawcastle upon Tyne in north-east England and Bologna in Italy. The services are due to start in March.

 US carrier Deita said it. will begin nonstop service nn four international routes

1996 summer schedule. Non-stop flights will be available between Atlanta and Vienna, Frankfurt and Bucharest, Frankfurt and St Petersburg, and New York and Brussel Another US airline, USAir, is cutting some fares in eastern USA by up to 40 per cent until February 14. At the same time Northwest Airlines and KLM, the Dutch carrier, is cutting fares from the US to European destinations.

with the introduction of its

USAir fares will start from \$59 (£38) for weekday travel. Northwest/KLM return fares include Los Angeles to Paris for \$428 and Des Moines to London for \$348.

Likely w	Mon		Tue		Wed		Thor		Fri
Tokyo	0	14	Ö	••	Ö	9	ත	10	\odot
Hong Kong	3	22	ත	21	6	23	Ċ	22	ා
London	8	11 -	Ö	9	Ö	8.		8	0
Frankfurt									
New York	¢	2	Ö	-1	$\dot{\mathbf{Q}}$	Ť	\bigcirc	8	æ
L Angeles	Ö	20		18	ත	18	$\mathbf{\hat{C}}$	20	\mathcal{O}
Nilen	Ö	8	లి	6	ð	. T	Ö	8	ð,
Paris	*	7	✡	6	*	4	Ö	2	ல
Zwick	-	2	ත	'n	¢	0	Ö	-1	Ö
Andrease in the second	Denatures I	in Cale							

The benefits of foreign exchange

When a US and British hotel manager swapped jobs for a week, both

learned more than they expected to, says Scheherazade Daneshkhu

be international bote industry is so hugely competitive that it is beartening to bear that the general managers of two very different hoteis recently acknowledged that they might learn something from

each other. The Athenaeum Hotel and Apartments in London's Piccadilly is a small privately owned hotel which has husiness travellers from the US as the majority of its guests. Sally Bullocb, general manager, says one way of finding out if the hotel was giving customers what they wanted was to compare it with what they are offered in the US.

She suggested swapping jobs for a week with Valerie Ferguson, general manager of the Ritz-Carlton in Atlanta, Georgia. and secretary of the American Hotel and Motel Association.

Atlanta is due to bost the Olympic games this year, and the city of about 3m people is expecting a flood of 2m visitors. Like most people who live and work in Atlanta, Ms Ferguson sees the games as an opportunity for the city to capitalise Internationally on the success it has already had in establishing itself as a husiness centre.

"For us to be awarded the Olymplcs said something about how Atlanta is viewed internationally." she says. "But it will be the final step in a push to say to the world. 'yes, you were right to have chosen

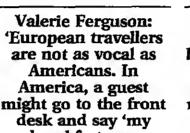
With the prospect of so many for-eign visitors. Ferguson decided to take up Bulloch's offer and go ahead with the swap. She says: "I had no idea what I would get out of it hut I saw it was an opportunity to gain an insight into how I could



further develop my product. About 35 per cent to 40 per cent of our guests are international and 1 wanted to walk away with a better idea of how to service that husiness and bow to build it up."

Business travel is increasingly hased on the notion of servicing global travellers with similar wants and needs. Ms Ferguson says, bowever, that there can he enormous differences

"One thing that has left an indelihle impression is that European travellers are not as vocal as Americans - you have to take more time to pull the information out. in America, a guest might go to the front desk and say 'my hreakfast was terrible', but the British are just not going to do that. We've got to find a way of getting that feedhack, rather than make the assumption that everything is OK.



breakfast was terrible', but the British are just not going to do that'

One way might be to contact visltors after they bave left the botel. "I don't think they will speak to you unless something major bappens

but once they get home or to the office, they might," she says. Guests with limited English could he inhibited hy language difficulties, and Ms Ferguson believes one of her achievements over the past five years at the Ritz-Carlton is to ensure that staff speaking a number of languages are available at all times

She is impressed by the efforts made at the Athenaeum to make guests feel at home. "There are all these reminders that you are at home - whether it's a howl of apples or wonderful nick-nacks in the lohhy. We like to think you can get a homely atmosphere in a Ritz-Carlton - we have afternoon teas and a special hreakfast for Japanese

Sally Bulloch: We can sometimes be too British. It took me 10 years to get a hamburger on our room-service menu. I

kept suggesting guests wanted it, and kept being told 'that is not what we do at the Athenaeum'

guests - hut customers don't want it so comfortable that it's like an old pair of shoes.

For her part, Sally Bulloch of the Athenaeum believes there is a difference in attention to detail. "Il's higher over bere. For instance, I've often found that if there is a bowl of fruit in an American hotel, it tends to stay there all week, whereas we change It every day." But she admires the informality of US hospltality, and would like to incorporate more of it in the hotel. "We can sometimes be too British." says Ms Bulloch. "It took me 10 years to get a hamhurger on our room-service menu. I kept suggesting that was what our guests wanted hut kept being told that is not what we do at the Athenaeum' She adds: "Many travellers want

a quick tea or coffee hut do not want to sit at a table. At the Ritz-

Carlton outside the breakfast room they bad this wonderful silver urn and attractive cups, not paper cups, so people could just have some coffee. It's very American hut then wby not give our American guests what they want rather than . . . what we think they should have?"

Despite the difference in size hetween the two hotels - the Ritz-Carlton has 457 rooms and the Athenaeum has 157 - Ms Ferguson says the day-to-day management is very similar. It's the same, except for the British accent." But decisions can made more quickly in a smaller hotel, she says. "Product develop-ment is managed quite differently in an independent hotel from a chain. While our standards are very similar and our company is decentralised with a lot of decisions made at the hotel, the decision-making process here is faster - we're trying

SEPADE: SI

to regain that entrepreneurial spirit. Ms Bulloch says she bas been

struck hy the amount of time spent by senior staff in US botels on administration. "My impression bas always been that senior staff tend to be in meetings or handling paperwork. But you don't know what's going on unless you are on the floor, and guests often want to meet

the managers." she says. Ms Ferguson says she is going back to Atlanta with "an increased awareness of the importance of face-to-face contact. Each employee here tries to establish a relationship with the guest; they try and remember the guest's name.

Both would like to extend the swap to other staff. "I would eventually like some of our housekeepers and reception staff to do the swap and to experience what it's like to travel as a guest - especially when you are jetlagged." says Ms Bulloch. "There's nothing worse than arriving at 7.30am and a smiling girl at reception says. Sorry, your room won't be ready till 11' and you want to kill ber. Since lots of people leave early, we get the

maids to start at sam instead of at 8am. With three maids, a room can be ready in eight minutes." She goes on: "We ought to be able

to understand our guests' needs. For example, when you are in the US, you notice how people will give detailed orders in a restaurant. I don't want our staff not to know what a guest is talking about if they ask for a low-sodium meal." Ms Ferguson would like to use the ldea of a swap as an incentive to staff by offering it to the hotel's employee of the year. "A lot of our

people don't get to travel."

R 783

24.50

10000

675

200

Airline flies onto Internet

British Midland bas set up what it says is one of the world's first systems which enables passengers to book and pay for flights on the Internet

While other airlines provide flight and fare information on the Internet, most have drawn back from providing a full booking service. This is because of fears that customers' credit card details are not sufficiently secure on the Inter-

The airline, however, says encryption technology allows its customers to tap their credit card details on to their computers without worrying that they are going to fall into a hacker's bands

To increase security further, separate encryption systems are used for the credit card number and the expiry date and user's name.

Credit card numbers entered into the system are automatically checked against a worldwide database of stolen credit cards.

To guard against unautborised card users, such as children, running np large bills fnr tickets. British Midland only allows two bookings on any card per working day.

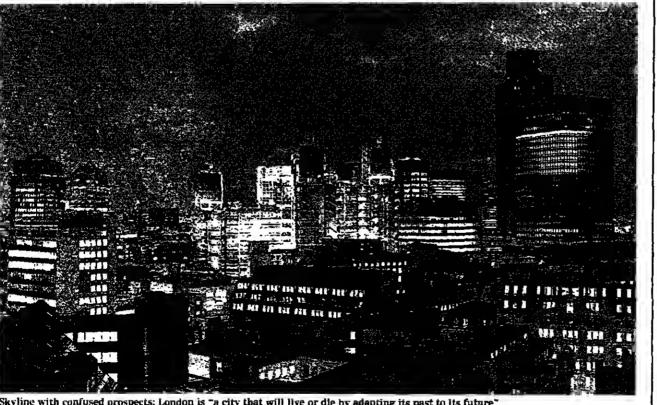
Another security measure for bookings on the Internet is to insist that, when bookings are made, at least one of the passengers travelling is the cardholder.

London's outlook still unclear

Architects should pay attention to the city's people, writes Colin Amery

ondon is up for grabs. The only important capi-Ital city in the western world with no elected body with overall authority for its welfare has an uncertain future as it approaches the millennium. This uncertainty is not just environmental or architectural - it is about the life of the whole city in the future. The Corporation of Lon-don. The Architecture Foundation and the London Evening Standard seem to have realised, by a process of osmosis, that the people of London are worried about the future of their city as they struggle about its nineteenth contury infrastructure and cope with us appalling public transport system. These three bodies have decided to hold a series of monthly public debates, starting this Wednesday evening on the subject of "London in the 21st Century". There will be seven debates to be held in Central Hall, Westminster between January and July. On Wednesday the Secretary of State for the Environment. Mr John Gummer: the environmentalist and philosopher M. Herberi Giradei: Mr Michael Cassidy of the Corporation of the City of London and the arcbitect Sir Ricbard Rogers will debate the future survival of London.

Each speaker wilt air his own worries. Mr Gummer will talk about his strategy for the Thames and his helief that London is a collection of urban villages. He will tell us that there is a new planning guidance note to encourage mixed uses in cities but he will almost certainly not mention the quangos and committees that fail to replace any sensible form of democratically struetured government for London. He will prohably not mention the consent he has just given to a Richard Rogers' designed tower of flats in the heart of Old Battersea's conservatiou area which seems to contradict everything he has said about the sanctity of the River Thames and us views. He will probably not want to be questioned too closely about the great stock of government properties that are for sale. own character. from the Royal Naval College in Greenwich to the barracks at Woolwich and the numerous



Skyline with confused prospects: London is "a city that will live or die by adapting its past to its future"

ex-hospitals and asylums dotthem. We could have had a more civilised City of London ted around the suburbs. Mr Michael Cassidy, it is generally known, is worried and a park-like regeneration of that the City of London may lose out as computer technology makes the proximity of offices to the heart of the city less and less necessary. The City is also nervously looking towards the likelthood of a Labour government after the next election. Will Prime Min-

vision for the eastwards devetopment of London remains a tragedy and it is precisely the area where the City of London could have taken a lead. instead the City huilt walls of ister Blair decide to reinstate a offices around itself - just in local government for the whole case Frankfurt should overtake of London and apolish the City it. What the City could offer Corporation once and for all ? the world is a beautiful envi-And what of the great monuronment, where the traffic is ments of the city and their setcontrolled, the historic huildtings. Will Mr Cossidy realise ings are looked after and the that no one wants more acres surroundings are more civiof offices around Saint Paul's lised than Tokyo or New York. cathedral? With the future of But there is a long way to go. the current Paternoster The architect of the Lloyd's scheme in the balance, it is building Sir Richard Rogers time that the City decided to will be speaking at more than stop competing with Canary one of these debates and we Wharf and the West End and can expect to hear much saw the intrinsic merits of its recycling of his Reith Lectures. He is a very contradictory If only the City Corporation character - he cares about had worked with the developcities after all be is half Italers of London's Docklands ian, but he also cares about

instead of competing with imposing on London a highly unsuitable personal vision that has not really developed since Lloyd's. His scheme to put a the old docks as fine as huge glass roof over the South Regent's Park or Holland Park Bank has yet to prove its pracwere in their day. The lack of ticability. He will be attempting to dazzle us with high-tech schemes for the Thames and amhitious proposals to link the river to the heart of Covent Garden. His vision is very much the vision of the 1960's we can expect a lot of rusting **Pompidou** Centres scattered without subtlety among our ancient streets.

Each month there will be a different subject for debate. In Fehruary, it is Thames hridges: in March, parks and public spaces: in April, Mr Tony Blair will be sharing his vision of the millennium with us; in May, it is transport and in June, culture. The series of debates ends in July with the one subject that should underlie the whole programme: housing. At the beginning of the twentieth century London bousing under the influence of the London County Council

was of such a high standard that it led the world. As we approach the twenty-first century the standard is low, the intellectual debate is poor and there is no County of London any more.

It is sad that there is no debate that concerns the history of London hecause it is a city that will live or dle by adapting its past to the future. Its history is why it is the capi-tal - and there is nothing in this series about its role as a capital of government as well as commerce. The vital thing. in these undemocratic days in London, is for the public debate to take place - politicians and fashionable architects underestimate the people of London at their peril.

Full details of and free tickets for this series of debates can be obtained from : Public Forum Debates Ticket Office, Corporation of London, Guildhall, London, EC2P 2EJ. Telephone 0171 332 3770, The first one in Janu-ary 17 at Central Holl, Storeys Gate, Westminster, S.W.1. ct 5.30pm.

Guests who opt to sit out the Games

lmost more interesting than the list of 11 cities A hidding to bost the 2004 Olympic Games are the candidates who decided not to throw their hats into the ring - or should it be five rings? The conteuders' field is not exactly packed with beavyhitters, so the Olympics nine years from now is a highly winnable prize. It is worth wondering about

the absentees before considering the likely winners. Beijing is the most conspicuous nonrunner in the 2004 Stakes. The Chinese hierarcby was undoubtedly sbocked and humiliated by the vote of the International Olympic Committee two-and-a-balf years ago to award the Millennium Games to Sydney. But prag-matism is the way of the middle kingdom and many observers were doubtful that Beijing's ambitions for the Olympics lay in 2008 or beyond. Last autumn no less than nine Asian members of the IOC took the opportunity of a big sports conference in Seoul to deliver a joint plea to the Beiliner environment beiline to the Beijing authorities to

hring forward their Olympic bid. Dr Un Yong Kim of

Korea, an tOC vice-president

and possible successor to

President Samaranch, was the

prime mover in the letter sent

to Jiang Zemin and Li Peng, the two most powerful Chi-

nese leaders. The Chinese IOC

member Zhenliang was care-ful to emphasise - as the

emissary entrusted with the

message for Beijing - that no firm decision had yet been

taken concerning the games,

He stressed the burt caused

hy losing hy just two votes to

the Australians was now for-

gotten. So other factors are

likely to have been at work.

The most important may

have been September 5, 1997.

the date at which the IOC

meet to choose the host city

from a short list of four. That

is only three months after the

British government hands

During that transition the

eyes and ears of the world's

media will be on Hong Kong

and the least piece of adverse

publicity will be magnified.

Hong Kong hack to China.

that the closing stages of a second Olympic "run" at such a time would offer too many hostages to fortune. Britain's lack of a candida-

ture for the 2004 Games is not due to concern over whether the government's spin-doctors can manage the Hong Kong issue, hnt may be instead down to sheer weariness and funk. Unsuccessful campaigns hy Manchester (twice) and Birmingbam in the past decade led many in the UK's sports bureaucracy to douht wbether the Olympic move-



KEITH WHEATLEY

ment saw Britain as useful for anything but providing competitors

Just before Christmas the country's National Olympic Committee took a policy decision to prepare a Londonbased bid for 2008. Many influential participants were douhtful about a four-year hreak from the campaign. fearing momentum and commitment huilt up since the early 1980s would he dissipated.

IOC members said privately that Britain was missing a huge opportunity in a weak field if it failed to hld again. But the domestic tangle over the failure to agree a venue for the new National Stadium may have made the pull-out inevitable. The decision, timetahied for last October, was postponed, and if the Sports Council were to eventually plump for a Manchester site rather than a re-vamped Wembley, it would have left a London-based Olympic hid looking distinctly naked.

The twin possibilities of a Beijing was shrewdly advised European city winning the

lead to London's next realistic chance coming in 2012. Paris is the other notable absentee from the candidates list. A year ago the French capital seemed likely to field a serious challenge for the games following Sydney. But the cur-rent discord between public and private sectors in France would scarcely belp a vast undertaking which must rest in exactly that niche. Lille has been offered as a lacklustre, no-chance alternative. Turning to the actual candidates. Cape Town and Athens are the front-runners. The African site appeals to the future, the Greek capital to those with a taste for nostal-

2004 Olympics and a patient yet resurgent Beijing being

unstoppahle for 2008 could

. .

Wisterson

"CERT

N_{Wike}

Olympic bid from Cape Town remains a fierce bone of contention within the ruling African National Congress. Treasury ministers and others with infrastructure responsi hilities are worried that an overall budget of US\$1.1bn is too optimistic. They fear a spending juggernaut, career-ing through an aiready fragile South African economy. The IOC's decision to cut the host city's share of TV revenues from 60 per cent to 49 per cent is. superficially, a hlow to Cape Town's hopes. But the recent massive escalation in broadcast fees for sports events may more than compensate for a smaller slice of the pie. News that Rupert Murdoch is offering US\$2bn to the IOC for European rights alone is cheering the bulls of Cape Town, whn believe that an Olympics there is best-seen as a revenue source not a cost. "After the euphoria of a new democracy, there's now a realisation that there isn't going to be a Marshall Plan for South Africa," said Kevin Kevaney, a leading strategist in the Cape Town bid committee. "We're spreading the gos-pel that the Olympics is our own Marshall Plan."

LEIPZIG Marino Marini (1901-80) was one of the leading Italian sculptors of the 20th century. Trained in Florence and Paris, he was much influenced by Etruscan and Archaic Greek art, and became renowned for his exploration of the theme of horse and rider. With the help of Marini'a widow, Leipzig's Museum of Fine Art has gathered 60 paintings, 30 sculptures and 25 drawings for an exhibition opening on Thursday.

MUNICH British opera producers are becoming almost as well known in 🐇 Germany as they are In the UK - thanks to Peter Jonas'a" transformation of tha Bavarian State Opera into an "ENO-on-thelsar". David Pountney's second Munich staging within a year is "Aida" opening on Friday. The cast includes Cheryl Studer, Waltraud Me Dennis O'Nelli and Robert Hale. The conductor is Roberto Abbado.

VIENNA This year's early music festival at the Konzerthaus tocuses on Austrian, Hungarlan and Bohamian composers from the ... Middle Ages to the Baroque. Guest artists include Jordi Savali's Hesperion XX and Joshua, Riflon's Bach Ensemble, which will certorn a Requierri composed by Emperor Leopold 1 In .. 1673. The festival, entitled Resonanzen '96 opene on Saturday and runs till the following weekend.

ARTS

BERLIN Economicate to be linked over the text flue months by a serves o astige champer orchestra concerts, in Sunday's includural evant at the It has Brown (below, notif) directs the Adadomy of St Martin of Fernand Fendle on Frysker, Ferdan, Stravinsky and Mezart, Other rofestras in the series include the Moscow Soloists and Nikolaus anomodurus Vienna Concontus Mucicus, which onego the t the Barbican on Marc



The Royal Opera missed Sir Michael Tippett's (right) 90th birthday, but a late present is better than none at all. On Tuesday the company will present a new production of his first opera, "The Midsummer Marriage" in its special series of 20th century operas. Graham Vick is the producer charged with realising Tippett's richly inve scenario. Bernerd Haitink conducts and the cast includes Chervi Barker and John Tominson.

LONDON

Peter Hall's 1992 staging of Oscar Wilde's "An ideal Husband" returns, opening on Wednesday a the Haymarket Theatre Royal, where the play had its premiere 101 years ago. Martin Shaw and Penny Downie star.

The kung fu king

Nigel Andrews talks to Raymond Chow, Hong Kong cinema's last tycoon, about a united Chinese film industry

ne evening 25 years ago Hong Kong studio chief Raymond Chow sat down to watch latenight television. The first thing he saw was a young martial artist demonstrating showy stunts to a live audience. Flailing fist or foot, he broke a wooden board held by an assistant; then a board hanging by a string; then, with an extra loud cry and animal grimace, a board he had thrown high into the air,

It was not the tricks that impressed Chow; he had seen them before and even learned some as a young kung fu pupil. It was the man's expression. "It had this mixture of honesty and charisma. And when the camera focused oo his face you saw this terrifying expression - he really wanted to kill you!'

The man was Bruce Lee; then a 30-year-old Hong Kong-raised kung fu teacher hased in Hollywood. "He had trained people like Steve McQueen and James Garner, hut he couldn't get into movies bimself at that time," says Chow. "He was determined to make a film career, so we made him a deal.

The rest was history. Lee became the biggest star the East ever produced and the only one to conquer the West. Chow, from marginally less modest beginnings as the son of the governor of the Bank of China, became the head of Asia's biggest studio and its biggest movie eotrepre-

After Lee he appropriated kung fu star Jackie Chan, another goldmine on legs. And today as head of Golden Harvest Films be sits genial and white-haired in a studio complex in the suburban hills north of Kowloon.

tiplex chain in China, as the Hong Kong newspapers report? "We plan, but we are still arguing abont a licence. It would be the first foreign-run chain In Communist China's history. China says, 'We don't need new theatres.' But their reasons are political. They still consider film a

propaganda weapon rather than entertainment, and they are sensitive about anything to do with ideology." The Hong Kong film industry knows that as well as any. It was virtually shaped by the shockwaves of China's politicisation, as Chow explains. "In 1947 a man called T.Y. Lee fled here from Shanghai and built the first purpose-built studio. For five years he flourished, employing the best directors and stars. But he lost the Chinese market in 1950 because of Communism and soon after went bankrupt. Twenty years later his studio was bought by us - so that is where you are sitting now!"

how's own career history was simple and meteoric. "I worked in newspapers and radio before joining Shaw Brothers, which was the major studio in the 1950s and 60s. I was their odvertising and publicity manager, then put in charge of production." But when Sir Run Run Shaw, the company's knighted and legendary boss, declined to make him

a partner, Chow jumped sideways and formed Golden Harvest. As Hong Kong cinema's last tycoon - and the probable first of a united Chinese cinema - Raymond Chow, OBE, cuts a gentle figure. As a child he was so delicate that his father forced him to take martial arts lessons. "When I was four or five I kept getting sprains or strains. If I sat on the ground and someone tried to help me up, I'd dislocate my arm!" So he went to beef himself up at the school of the most famous kung fu instructor in the Orient, a man who has had a hundred movies made about him, not a few hy Golden Harvest. In the 1970s and '80s Chow's studio reaped undreamt-of rewards, thanks to the world popularity of Hong Kong's action cinema. Then came decline. Without spelling out the dread word "Triad", Chow attributes the industry's vicious 1990s slump to "outsiders coming in to make easy money. By promising a big star in a movie and saying they had a script heing written, they'd persnade a wealtby backer to part with \$5m. They'd hand \$4m to the makers and pocket \$1m. So you'd have a film with one marquee-value star and a terrible script and production values." Many of new gangster impresarios

The Kobal Collection through Chow's alliance with UIP ing course in exhibition and distribu-

Bruce Lee, the biggest movie star in the East: but what will the future hold?

MGM

also used the film business to launder their gains from gambling, drugs or prostitution. "It became a vehicle for dirty money.

But the Triads, believes Chow, are

International, the foreign distribution tion arm for Paramount, Universal and

damned difficult to be expan-"And there have been hig changes in China itself. Today, not just the sive without either vocally or Special Economic Zone but the whole physically knocking one yesterday's antagonist. The new army na's attitude was, 'We want to area to the north and the coastal of opposition, or reactionary resis- improve our film business by showing provinces are as capitalistic as Hong another off their feet.

lover, gets pregnant and endures a back-street abortion, which kills her. Potent stuff: the ending was toned down for publication, despite Jean Rhys's protests. Her novel Voyoge in the Dark made a

Andrew Vesper's performance as Ireland veers awkwardly hetween that of a young man trying to ont-play the grown-ups and an adoles-cent infatuated with Mrs Jordan; where the historical Ireland executed his forgeries primarily to impress his

idolises, Katerina Jugati plays Mrs Jordan as a consummate coquette but is under-supplied hy Figg when the time comes tair Findlay needs to do little but keep the word-play fizzing. Cottis' direction is largely concerned with liveliness hut falls foul of the fact that it is impossible to fit Regency frolics into a pub theatre. A company of five does not pack the

An over-shapely cyclical

ending rounds off 90 minutes

which provide both less

insight and a narrower range

of humour than they had

promised. In a glorious mis-

print, the programme notes

refer to Shakespeare as "a

scared cow": Contested Will is

Ian Shuttleworth

nna, an 18-year-old

innocent ahroad emharking on an

unknown journey

more like a bewildered ema.

into adulthood, is a white

Dominican who wishes she

was hlack, "warm and gay:

powerful impact in 1934. Joan Wiles' dramatisation (first staged at London's White

Bear in 1992) partly relies on Anna's narration, but largely omits snhtext, psychological depth and the richness of characterisation. This is the danger of translating a novel into theatre: yon might be left with flimsy dialogue and hanal plotting. In a novel, yon are stimulated hy the anthor's imagination interacting with your own. On the finite stage, that novel relies on the artists inspiration which may dimin-ish the novelist's.

Jean Rhys's novel is autohiographical. Bronght np in the Caribbean, she came to England as a teenager, led a wayward life in similar tawdry circumstances, was a heavy drinker and always felt she could hide behind a posh frock. Just like Anna.

ewcomer Katrina Syran is fascinating as Anna because of her accent. She effects the Creole-Caribbean lilt required, hut it is mixed with her own distinctive Norwegian. The other four members of the cast are a hit too bluff, perhaps led astray by the coarseness of the dramatisation. However, Ian Kirkhy makes an impression as a range of knowing waiters, as a rum-soaked young colonial, as a trilby-wearing scorner, and as a cad.

The atmosphere in Sue Parish's touring production for Sphinx is mainly created by Jenny Kagan's grey England and gold Dominica lighting from film norre to Technicolor. Claire van Kampen's music is overwhelmed hy a metallic clicking clock, the choreography sorts out those with two left feet, and there is some impressive solo singing - but this is not supposed to be a musical. When Jean Rhys was rediscovered in Cornwall in 1957, she was out of print and had not written for 20 years. Whatever yon make of this play, she is a better read.

n the mid-1790s, 20-yearold William Ireland's Shakespeare forgeries deceived many of the great and the good; the sup-posedly "re-discovered" play, Vortigern ond Rowena, was even staged at Sheridan's Drury Lane Theatre. Ireland's hoax is a marvellous subject for a play but this particular piece, Contested Will, gets rather carried away with the opportunities for artifice. Playwright Olly Figg (who, one suspects, is not unrelated to director David Cottis) works hard at giving Sheridan plenty of bons mots, then harder at enabling Ireland and Drury Lane's leading comedienne, Mrs Jordan, to withstand such constant fire. Consequently, we occa-sionally go as long as 30 seconds without an acerbic pun being cracked.

father, this lad is more con-cerned with the actress he to show a degree of sincerity and caring. As Sheridan, Alis-Etcetera's stage but it becomes

True lies

Theatre in London

13

He masterminded Hong Kong's miracle movie years in the 1970s and '80s, when the colony became the third big-gest movie industry in the world (US first, India second). Now be presides over 170 movie screens througbout Asia, "By the end of 1996 we should have 270, not counting Korea with whom we have just signed a new deal." He had also just shaken hands on a ten-year deal with Korea's Cheil group to distribute the films of Spielberg's new DreamWorks studio throughout Asia.

A

Today, he nomiers what may be the buggest prize of all: to extend his cinema and production empire into Mainland China. "There were 5.5 billion cinema admissions there this year and the figure is rising. That is two or three times the numbers in America. We estimate too that the China film business is bigger than the rest of Asia combined.

Does he plan to build a new mul-

INTERNATIONAL

AMSTERDAM

CONCERT Concertgabouv Tel: 31-20-5730573 Koninklijk Concertgebouworkest: with conductor Nikolaus Harnoncourt and soprano Vesselina Kasarova perform works by J. Strauss, Berg and Brahms; 8.15pm; Jan 17, 18, 19, 20

ANTWERP

THEATRE De Singol Tel: 32-3-2483800 De Beurtzang: by Djuna Barnes. Directed by Gerardian Rijnders and performed by the Toneelgroep Amsterdam and the Blauwe Maandag Compagnie. The cast includes Stany Crets, Els Dottermans, Kees Huist and Mark Rietman; 8pm; Jan 17, 18, 19, 20

BERLIN

CONCERT Philharmonie & Kammermusiksaal Tel: 49-30-254880 Berliner Philharmonisches

of opposition, or reactionary resis tance, is the Beijing government. "Right now, we are trying to per-

suade them that the secret to transforming their Industry is to make entertaining films. Film is seen by many governments, including China, as education. In Taiwan we fought like hell to remove cinema from the education ministry into the new government information office. In China film, TV and radio are all under the ministry of culture."

And we know what sins and omissions the word "culture" has covered up in the country's history. But freemarket cinema, says Chow, bas already won one notable victory. China's longstanding resistance to American movies hroke down last year when it opened its cinemas to what it styled "ten superior pictures from across the world." Five of these, including Forrest Gump and True Lies, were procured from Hollywood

what the rest of the world sees.' It was a brave thing to do, because as soon as it was announced the scheme was under fire from China's own studios. 'You're trying to kill our industry!' they said. And the protests got louder as each Hollywood film did better and better."

"This was historical," he says. "Chi-

"Next thing," Chow continues, "the Chinese minister is in America saying, 'Look, we've played X number of your films, how many of our films have you played? They don't understand that this is not a matter of national trade balance, it's about entertainment. It's a free transaction area."

So can Hong Kong, as an East-West middleman, act as gentle persuader in this debate? "We really do believe we can influence China in a more liberal, capitalistic way. Right now at Golden Harvest we have six of China Film's junior executives on a two-week train-

Kong, if not more. Shanghai is like a western city. From ground zero, much of China has grown to a highly developed free-market society. "Everywhere today yoo see a loosening of dogma and restriction. For instance the Chinese love hrandy.

They drink it In tumblers. In Hong Kong everyone is happy with Hennessy XO. In China they started with that, then a couple of years later they wanted Louis XIII! Chinese people drink more and more red wine too, imported through Hong Kong. Their favourite is Rothschild - or Rothcheeah.' At first they didn't know or care what year or vineyard it was, but now they are learning all about different châteaux. China is getting very non-socialistic.

Thur 7.30pm, Sun 5pm; from Jan 16

Chor und Kammerphilharmonie

soprano Helen Bickers, atto Alicia

Nafé, tenor Daniel Galvez-Valleio

end bass Kenneth Cox perform

Beethoven's "Symphony No.4";

Carnegie Hall Tel: 1-212-247-7800

Messa da Requiem: by Verdi.

Performed by the Orchestra of St.

Luke's, the Robert Shaw Festival

Institute Singers, conducted by

mezzo-soprano Florence Quivar,

tenor Jeny Hadley and bass Alastair

Il Barbiere di Siviglia: by Rossini.

Robert Shaw, Soloists include

soprano Carol Vaness.

Miles; 3pm; Jan 21

OPERA & OPERETTA

Tel: 1-212-362-6000

Metropolitan Opera House

Chorus and The Robert Shaw Choral

Rossini's "Stabat Mater" and

NEW YORK

conductor Salvatore Accardo,

des Mitteldeutschen Rundfunks: with

to Feb 4 (not Mon)

MUNICH

Tel: 49-89-48098506

Philharmonie im Gasteig

CONCERT

8pm; Jan 17

CONCERT

being white is cold and sad". "I think that given talk and time She becomes a chorus girl there is good hope for the two coun-tries living together - and after 1997 touring the seedy English seaside resorts, turns mistress the two cinemas." then tart when rejected hy her

conductor Semyon Bychkov, the

RÔME

Jan 17, 20

OPERA & OPERETTA Teatro dell Opera di Roma Tel: 39-6-481601 Iris: by Mascagni. Conducted by Gianluigi Gelmetti and performed by the Opera di Roma. Soloists include Nicola Ghiaurov, lano Tamar (Jan 18, 19), Daniela Dessi (Jan 21), John Keyes (Jan 16), Josè Cura (Jan 19, 21) and Roberto Servile; 8.30pm; Jan 16, 19, 21 (4.30pm)

STOCKHOLM

OPERA & OPERETTA Kungliga Teatern - Royai Swedish Opera House Tel: 46-8-7914300 Aida: by Verdi. Conducted by Maurizlo Barbacini and performed by the Royal Opera Stockholm: 7pm; Jan 16

Simon Reade

Contested Will is at the Etcetera Theatre, London NW1, nntil Jannary 28 (0171 482-4857). Voyage in the Dark is at the Young Vic until Janu-ary 27 (0171 928-6363); then on tour.

WORLD SERVICE

BBC for Europe can be

Solti perform R. Strauss' "Macbeth", the "Tanz der sieben Schleier" (Dance of the Seven Veils) from "Salome" and "Also sprach Zarathustra"; Spm; Jan 18, 19, 20 OPERA & OPERETTA **Deutsche Oper Berlin** Tel: 49-30-3438401 Martha oder Der Markt zu Richmond: by Von Flotow. Conducted by Sebastian Lang-Lessing and performed by the Deutsche Oper Berlin. Soloists include Amanda Halgrimson and Friedrich Molsberger; 7.30pm; Jan

Orchester: with conductor Georg

BIRMINGHAM CONCERT

Symphony Hall Tel: 44-121-2123333 City of Birmingham Symphony Orchestra: with conductor Mario Venzago and pianist Leif Ove Andsnes perform the overture to Rossini's "Il Vlaggio a Reims". Prokofiev's "Plano Concerto No.3" and Bruckner's "Symphony No.3"; 7.30pm; Jan 17

BONN OPERA & OPERETTA

EXHIBITION

Oper der Stadt Bonn Tel: 49-228-7281 La Rondine: by Puccini. Conducted by Eugene Kohn and performed by the Oper Bonn. Soloists include Hasmik Papian and

Birgit Beer; 8pm; Jan 16, 20 (7pm) CAMBRIDGE (US) Fogg Art Museum

Tel: 1-617-495-9400 Etching and Etchers since 1850: the exhibition will look at the work of 10 printmakers who have used etching since it became purely an artists' medium, that is, after the invention of photography and the development of photomechanical reproductive techniques ended its usefulness for practical image-making applications. The display includes works by Whistler, Ensor, Picasso and Johns; from Jan 20 to Apr 14

COLOGNE

OPERA & OPERETTA Opernhaus Tel: 49-221-2218240 Der fliegende Holländer: by Wagner. Conducted by John Flore and performed by the Oper Köln. Soloists include Franz-Josef Selig, Renate Behla, Thomas Sunnegardh and Regina Mauel; 8pm; Jan 18

HAMBURG

CONCERT Musikhalle Hamburg Tel: 49-40-346920 Hamburger Mozart-Orchester: with conductor Robert Stehli. violinist Kyrill Troussow and planist Alexandra Troussow perform works by Rossinl, Paganini, Chopin and Brahms; 8pm; Jan 20

LONDON

DANCE **Royal Opera House - Covent** Garden Tel: 44-171-3044000

 Swan Lake: a choreography by Petipa/lvanov to music by Tchaikovsky, performed by the Royal Ballet. Soloists Include

London Coliseum Tel: 44-171-8360111 Les Pêcheurs de Perles: by Bizet. Conducted by Emmanuel Joel and performed by tha English National Opera. Soloists include John Hudson and Elizabeth Woollett; 7.30pm; Jan 17 THEATRE The Pit Tel: 44-171-6388891 Slaughter City: by Naomi Wallace. Directed by Ron Daniels

Jonathan Cope and Sylvia Guillem;

7.30om: .lan 17

OPERA & OPERETTA

The cast includes Alexis Daniel, David Healy and Robert Langdon-Lloyd; 7.15pm, Jan 25: 7pm, Jan 27 also 2pm; from Jan 17 to Jan 27 (not Sun)

LOS ANGELES

EXHIBITION Norton Simon Museum of Art Tel: 1-818-449-6840

 The New Wave: Bonnard, Toulouse-Lautrec and Vuillard and the French Color Print: exhibition of 38 color lithographs by the 19th-century avant-garde painters/ orintmakers Pierre Bonnard, Henri Toulouse-Lautrec and Edouard Vullard: from Jan 18 to Jul 21

LYON THEATRE

Conducted by Adam Fischer and performed by the Metropolitan Opera. Soloists include Ruth Ann Théâtre Les Ateliers Grande Salle Tel: 33-78 37 46 30 Swenson, Raúl Gímenez and Mark Primo Levi et Ferdinando Camon Oswald; 8pm; Jan 17, 20

ou le voyaga d'Ulysse: after Ferdinando Carnon's "Conversations PARIS avec Primo Levi", adapted and CONCERT directed by Dominique Lurcel. The cast includes Eric Cenat and Gérard Salla Pleyel Tel: 33-1 45 61 53 00 Cherqui; Tua, Fri, Sat 8.30pm, Wed, Orchestre de Paris: with

Choeur de l'Orchestre da Paris, soprano Françoise Pollet, mezzo-soprano Jane Irwin, tenor Roberto Sacca and bass Roberto Scandluzzi perform Debussy's "Noctumes" and Rossini's "Stabat Mater": 8.30pm; Jan 17, 16 OPERA & OPERETTA L'Opéra de Paris Bastille Tel: 33-1 44 73 13 99 La Bohème: by Puccini. Conducted by James Conion and performed by tha Opéra National de Paris. Soloists include Roberto Alagna, Franck Leguérinel, Leontina Vaduva and Jules Bastin; 7.30pm;

received in western Europe on Medium Wave 648 kHZ (463m) EUROPEAN CABLE AND SATELLITE BUSINESS TV (Central European Time) MONDAY TO FRIDAY NBC/Super Channel: 07.00 FT Business Morning 10.00

European Money Wheel Nonstop live coverage until 14.00 of European business and the financial markets

17.30 Financial Times Business Tonight

Midnight Financial Times Business Tonight

COMMENT & ANALYSIS



14

If this were not an election year, the Republicans and Democrats would not be fighting quite so hard over the 1996 budget. The US, after all, is not confronting challenges of historic proportions. It is at peace. Inflation and unemployment are encouragingly low. The budget deficit is less than 2.5 per cent of national income and, on unchanged policies, not expected to rise

much for a decade. Yet despite this enviable outlook, the disagreements between the White House and Congress were violent enough to cause the closure of much of the federal government for nearly a month. After seemingly endless negotiations the parties broke off talks last week without reaching agreement, even though both sides had conceded ground. Republicans scaled back

proposed curbs on social programmes; President Bill Clinton finally agreed to balance the budget over seven years as scored by the independent Congressional Budget Office. Since the differences in money (if not policy) terms are now relatively minor, the two sides may yet reach a short-term compromise, especially if Wall Street gets another bout of jitters. With a growing fraction of household wealth now held in equity mutual funds (unit trusts) neither party wants to be held responsible for a stock market crash.

But to understand why the two sides are so reluctant to compromise, you have to consider recent political history. The root problem is that the electorate backed two incompatible political visions - that of Mr Clinton in 1992 and that of Newt Gingrich, the House Speaker, in 1994. This would have been a recipe for "gridlock" even if the protagonists had stuck to their mandates which they did not.

In the 1992 campaign Mr Clinton made a case for more active government as a way of alleviating the economic insecurity of middle-income families. He promised to improve

increased their chance of a presidential victory this year education and workforce training ta stralegy dubbed "investing in people") while addressing an alleged culture of dependeocy in inner cities by curbing welfare benefits. He also pledged tax cuts, a ton's undoing. reduction in the hudget deficit and universal healthcare insurance.

Michael Prowse · America

Conflicting visions

By putting Bill Clinton on the defensive, Republicans have

Once in office his priorities changed. Tax cuts and the investing in people strategy were dropped because they programme of shifting responclashed with the more presssibility for a broad range of ing goal of reducing fiscal defsocial programmes from Washington to the individual icits. He raised taxes substantially - but only on the states. And when the Constiwealthiest 1-3 per cent of famitutional amendment to ballies. He back-pedalled on welance the budget was defeated fare reform and instead proby a single vote in the Senate, frustrated Republicans decided to eliminate deficits posed what came to be seen as a government takeover of the mainly private-sector healthover seven years anyway. This was a fateful decision: already care system. Republicans seized the opportunity to porcommitted to tax cuts, Mr tray Mr Clinton as an old-fash-Gingrich found himself obliged to propose curbs on ioned "tax and spend liberal" the growth of healthcare and won the 1994 congressional elections handsomely. spending. Mr Clinton leapt at Mr Gingrich's manifesto the chance to portray himself as a champion of the elderly the Reaganesque "Contract

with America" - was cleverly and poor - and recovered designed to exploit weakmuch lost ground. nesses in Mr Clinton's record. In 1992 Mr Clinton was seen He promised (among a welter as a reformist alternative to the dull George Bush. Yet this of other measures) to bring to time Republicans have forced the floor of the House legislation to cut taxes, limit welfare him into a Bush-like role as benefits, balance lhe federal defender of the status quo. budget, reduce public spend-Having grudgingly agreed to a ing and cut the burden of fed-



Gingrich (left) and Clinton: incompatible political visions

the House's limited powers, he in people" strategy - the mos innovative part of his last did not promise that any legislation would be enacted. Even campaign - because there is now no cash for sizeable more shrewdly he was silent on healthcare reform - the investments in human capital. issue that had been Mr Clin-Yet he has little else to offer the "forgotten middle classes" Yet nnce in power Mr Gingother than the promise that rich's strategy also mutated. the federal safety net will still Instead of simply putting a exist if they lose their jobs. time limit on welfare, House Republicans were perhaps Republicans committed themcarried away with ideological fervour last year. But, with selves to a far more ambitious

some modifications, the Gingrich programme can still form an appealing electoral platform for them. They can argue that a policy of clinging to outdated federal spending programmes offers no cure for economic insecurity in the 1990s. What is needed, instead, are bold innovations designed to boost growth. Republicans can argue that they are the party of radical tax reform and hold out the prospect of lower top rates and a shift in the burden of taxes from income to consumption measures likely in raise savings and investment.

They can also present them selves as the responsible party: the party willing to secure the long-term future of entitlement programmes such as Medicare by slowing their growth and bringing their management into line with best practice in the private sector. What of Mr Clinton's effective attack on their apparently harsh proposals on welfare and healthcare for the poor? This can be defused by arguing that Republicans do not want to tear up the social safety net, merely to delegate parts of it to the states. The case for devolving power from Washington to state capitals is likely to be a prominent and popular - part of this year's Republican platform. The Gingrich "revolution" made an unusually hitter fight over this year's budget inevitable. But it has served a political purpose in helping Republicans redefine themselves as the party of reform and innovation + and thus boost their chances of regaining the White House this year.

·LETTERS TO THE EDITOR·

Number One Southwark Bridge, London SE1 9HL

We are keen to encourage letters from readers around the world. Letters may be faxed to +14 171-873 5938 (please set fax 10 'fme'). e.maik letters,editor@ft.com Translation may be available for letters written in the main international languages.

Private investment and the east Asian 'miracle'

From Prof Jaydish Bhagwati. Sir, Michael Prowse's column ("Confucius rules", January 8), while offering interesting observations on the social lessons in he learnt from east Asian experience, cites with apparent acceptance the recent contention that east Asia's economic success to date simply reflects "growth of inputs" rather than "improvements in efficiency". This argument, however, is misleading insofar as it implies that the growth of input is somehow independent of an efficient policy framework. Allayn Ynung at Boston University must be credited with having made the calculations that give the central accounting role to capital accumulation in explaining east Asia's miracle. Unfortunately, some

inaptly described Young's estimate as showing that the east Asian "miracle" is a "myth". In fact, the miracle lies precisely in what the scholars of east Asia have always known: that the private investment rates (as distinct from the public investment rates which reflect governmental decisions and were remarkably high but quite unproductive in the socialist countries) climbed to truly astonishing levels (nearly 40 per cent) in the region during a sustained period of nearly three decades. This "fundamental" itself has to be explained as being a result of an efficient policy of outward orientation that the region embraced early, as a pioneer, starting in the late 1950s. A rapid integration into

distinguished economists have

Too limited a view of the value of human labour

of the wage mix which

import demand.

economy is to deliver

complicates analysis so that,

for example, higher wages to

lower income consumers will

feed into domestic rather than

standards of living measured

by the real wage, the wage, price division. Clearly this can

only rise if nominal prices fall

faster or rise less rapidly than

nominal wages, which in turn

can only happen with true (not

wage nominal) productivity

increases resulting from

investment, not wage cuts.

If this sounds like socialist

bogwash to some, it remains

the right direction is that as

ratio, then effective demand

will have to be voted other

wage, meaning that in very

advanced economies, the role

Whitbread, would sell them to

simple and inexpensive for the

Granada. Is this proposal too

city advisers?

Michael L Byrne,

Bebington, Wirral,

Michael L Byrne & Co.,

chartered accountants, 162-164 Bebington Road,

Merseyside L63 7NX, UK

than traditionally through the

technology reduces the

employment/consumption

technology, skill, and

arithmetically true!

Third, the aim of the market

From Mr Geoff Crocker. Sir, Martin Wolf ("Path to full employment", January 9) rushes with indecent haste to quote James Meade in support of labour market clearing policies - sadly Professor Meade is no longer with us to reply to Mr Wolf's interpretation.

Mr Wolf presents his argument as though the need for the real wage rate to fall to clear the labour market were a self-evident truth. And yet his case is both philosophically unacceptable and technically superficial. Economics must also have its theology. Theorising which treats human labour simply as a factor of production is inadequate in several ways. First. It must remain more important not to distort the dignity and value of the person

rather than to worry about distorting the market as though the market were a more sacrosanct moral entity, a master rather than a servant. Second, as Keynes surely

of government in managing taught us, the wage rate is not transfer payments and allocating incomes is bound to only a cost of production but also the income of purchasing increase. power - it determines effective Geoff Crocker. demand as well as supply costs so that the production and Eastwood Lodge, Falfield, sumption value equations

strikingly as world trade barriers were coming down under the auspices of the General Agreement on Tariffs and Trade, meant that the inducement to invest remained high and pulled investment rates steadily higher. with domestic savines accommodating the profitable process. This may be contrasted with india, where the private investment rate was badly constrained by domestic agricultural growth in a virtually autarkic framework. The outward orientation, with associated export earnings growth, enabled the import of superior "newer-vintage" capital goods whose productivity for the east Asian economies had to be in

Ibe world markets, which

themselves were growing

excess of import cost, thus providing a double dividend for growth from this policy framework, India again lost om on this element of success It is, of course, true that at

.

Ś

some stage this process will run into both savings constraints and diminishing returns. But the east Asian model has been imitated successfully by the Asean countries. And, if India maintains and strengthens Its outward orientation. it is poised to reap the rewards, with growth rates escalating to between 8 per cent and 9 per cent annually, 30 years behind the curve.

Jagdish Bhagwati, Arthur Lehman professor of econnmics. Colombia University. New York, NY 10027, US

would subsequently obtain the

Funding for Indian lands

Sir. The new decree governing the demarcation of Indian lands in Brazil, reported by Angus Foster ("Brazil attacked over Indian law". January 11), effectively legitimises land-theft. It also raises the question of whether international funds, provided to the Brazilian government to enable it to guarantee indigenous land rights, might be in danger of being used for exactly the opposile purpose. Indigenous communities in Brazil rightly fear that the new decree will strengthen the position of those, such as mining and logging companies, ranchers, or politicians from the Amazon region, who regard indigeonus communilies as an obstacle to Where Mr Wolf is pointing in their plans to plunder the natural resources of Brazil in the search for a quick profit. They disguise such ambition with the labels "development" and "progress". Ever since the new decree was first mooted it has encouraged groups in

illegal occupation of

hill is as long and

that at long last the

of our tax laws.

incomprehensible as its

On December 11 1995 the

Inland Revenue published a two-volume report The Path to Tar Simplification, as it was

required to do under section

160 of the Finance Act 1995. As

indigenous territory to stay

put, in the belief that they

From Mr Cowan Coventru.

support of the state. The Brazilian Church Agency for Indigenous Affairs, CIM, has drawn attention to the fact that Brazil's demarcation process is supported by funds supplied by the German government to the tune of DM30m (£13.6m), as part of the G7's pilot plan for the Amazon, Oxfam believes that the G7 governments should urgently seek clarification from the Brazilian authorities as to how those funds will now be used in the light of the new decree. It appears that 307 indigenous lerritories, more than half the

total, will be vulnerable to review and possible shrinkage. If international funds were to be used to further this process it would be quite contrary to the spirit and possibly the letter of the agreement under which the G7 funds were given.

Cowan Coventry, acting overseas director. Oxfam (UK and Ireland). 27 Banbury Road, Oxford OX2 7DZ, UK

6

٨.,٠

Tas in

34

The state

10 an 11

3.1...

i na a

мir,

 $n_{\rm ee}$

-

A start on simpler tax laws

a consequence of the work From Mr Ian K Young. done in preparing the report. preparatory work will now go Sir, Professor Myddelton

TOP STUDENTS WILL MANAGE INTERNATIONAL BUSINESS FOR ONE WEEK

Procter & Gamble challenges 50 top students across Europe and the Middle East to enter the real world of Business Finance by participating in the

1996 EURO FINANCIAL SEMINAR ROME

TWO SESSIONS: APRIL 14-19. MAY 5-10

For this seminar Procter & Gamble will invite excellent students who combine leadership with analytical skills, have a good knowledge of English and expect to graduate in 1996 or 1997 with an outstanding academic record.

They will have the opportunity to develop management and financial skills, working together with experienced Executives on a real case study.

Travel and accommodation expenses will be paid for those students selected.

If your qualifications are in line with the above requirements. please send your Curriculum Vitue in English by January 19, 1996 to:

Euro Financial Seminar, Procter & Gamble Italia S.p.A. Casella Postale 10770 - 00100 Roma - Rif. EFS/F

Procter&Gamble

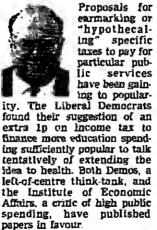
must balance in aggregate. It is Wotton under Edge Gloucestersbire GL12 8DE, UK the dynamics and composition

An inexpensive alternative

From Mr Michael L Byrne. Sir. So Forle wants to keep its hotels and sell its restaurants to Whitbread Granada's bid for Forte fails and Granada wants to sell Forte's hotels and keep the restaurants. Perhaps everyone would be happy if Forte, instead of selling the restaurants to

Samuel Brittan

Appeal of earmarked taxes



The most distinguished recent contribution comes from a political theorist. Prof Albert Weale, in The State, Pollics ond Health (Blackwell), a symposium of essays dedicated to Rudolf Klein, the leading writer on the politics of health. There is an accompanying volume of Klein's own writing.

Only Dissect. Weale accepts that the market can provide many services the citizen desires. But he believes that it is not efficient in the case of health because of well-known problems such as the incentive for doctors and hospitals to over-treat. The originality of Weale's from Tesco and contribution lies not in his arguments for some form of publicly financed health system, but in his idea of "democratic responsiveness". In elections voters can only choose between vaguely described bundles of public goods. There is no way in which I can vote against Michael Howard's penal policies without also

expressing a preference for more collective provision all round. And, of course, some voters may want more such provision for medical care rather than education. It is as if shoppers had to choose between trolley-loads of goods from Tesco and from Sainshury, instead of picking goods off the shelf.

What I found particularly interesting is that Weale comes to favour hypothecation from a fear that public spending on health will be inadequate. i arrive at the idea from a suspicion of campaigns against bealth expenditure. "underfunding" spearheaded by union militants in nurses uniforms. Is there not in would make public services hypothecation a device which dependent on tax yields, and will give some idea of what the thus vulnerable to the vagaries public is prepared to pay for services such as health? of the business cycle. The worst that could happen is that

Finance ministries the world over have always opposed hypothecation. It is a threat to their control, but that does not dispose of the argument. It must also be conceded that

.

A more impressive objection comes from John Kay, a for-It is as if shoppers mer director of the Institute for Fiscal Studies. His view is that had to choose widespread earmarking would lead to an upsurge in spending on emotive public services between trolley such as schools, bospitals or loads of goods pensions. Less immediately popular items such as MPs' pay, the expenses of tax collection or military spending would be neglected. When the from Sainsbury, need for these less glamorous instead of selecting forms of spending finally dawned, the result would be to their own goods push up public spending as a proportion of gross domestic off the shelves product.

But to me the strongest

objection is something called

the aggregation problem. If

many proposals for earmarked taxes are simply tokenism and VAT financed the health service, you might not mind pay-ing a few extra percentage would not help more informed judgments to be made. An points for better provision. But extra 1p in on income tax for if others wanted to spend more more education spending, for on education. pensions or crime prevention, you might have second thoughts on how example, is not useful if voters have no idea how much of their taxes goes to education already. An earmarked tax, to much extra you wanted to spend on health. Nobel prizes be worthwhile, would have to have been won for showing pay for the great bulk of the service in question. Thus value how difficult it is to aggregate individual preferences into a single total which avoids added tax would be a clear candidate for earmarking as a favouritism, dictatorship or health tax, since its yield is other arbitrariness. nearly equal to government

A more practical objection is that, in the course of time, gov-The weakest argument ernments will inevitably either against earmarking is that it top up the proceeds of earmarked taxes or raid them for other purposes. The most famous example of the latter is the way in which the Road Fund, financed from motor taxa marginal topping up might ation, came to be used as a be required in a recession - a general source of revenue. The situation which might in any moral is that an earmarked tax case justify some deficil spendis likely to degenerale over

> Thus my conclusion is that hypothecation is unsultable as a general system for deciding bow much of the national income should be speni collectively. And it is of only limited value in dividing collective spending belween all the claims made on il. But it can he helpful for defusing an issue at the centre of controversy, such as the funding of the Nallonal Health Service. This makes a case for having

only one earmarked tax at a time. More generally, we need to advance beyond leaving public decisions to pressure group and bureaucratic politics. Earmarking is one limited step towards rationality in public finance.

th

7

5

(Letters, January 9) is quite correct that this year's finance ahead on the main proposal of the report, which is: "to rewrile over about five years immediate predecessors. He most of the primary legislation has, however, failed to realise on the Inland Revenue taxes in simpler, more user-friendly language, which will be easier government is finally showing signs of doing something positive about the complexity for everyone to understand."

lan K Ynung. tax partner. BDO Stoy Hayward. 5th floor Old Orchard House, 39-61 High Street, Poole. Dorset BH15 1AE. UK

FINANCIAL TIMES

Number One Southwark Bridge, London SE1 9HL Tel: +44 171-873 3000 Telex: 922186 Fax: +44 171-407 5700 Monday January 15 1996

A pause for reflection

The interminable US budget ted to choose between two com-deliberations will resume on plex programmes based on the Wednesday after a break of one week, a period described as a "pause for reflection" by all sides. Such contemplation is justified, given the adverse reaction of Wall Street to the continuing failure to reach a settlement. There are indeed fundamental philosophical differences at the centre of this conflict. But on one point US legislators should agree: that it would be highly irresponsible to permit the country to languish indefithe country to languish indefi-nitely without an agreed budget. Amazingly, Mr Newt Gingrich, the speaker of the House of Repre-sentatives, has suggested that the disagreement about the role of the federal government is so great that it might be necessary to allow the electorate to choose between competing plans at the polls in November. In the meantime, be proposes, the federal government would have to run on ad hoc budgetary measures through the whola of this fiscal year.

That would be a curious as well as an impractical outcome. The capacity of an election to serve as a referendum on such an issue is dubious in any liberal democracy. This is especially true of tha US, where the separation of powers between Congress and the President, together with campaigns normally shaped by local issues, make any such clarity unlikely. However, this proposal is ren-dered doubly curions by the prog-ress that has already been made with the budget. Even before this latest struggle began, the federal deficit as a proportion of GDP had fallen dramatically from the dis-

turbing levels of the middle 1980s. It is policy preferences, rather than any imminent fiscal crisis, that are at the heart of the matter.

Balanced budget

Eight months ago Congress announced its intention to produce a balanced budget over a sev-en-year timetable, based on economic assumptions certified as plausible by the Congressional Budget Office. The administration claimed this was either unworkable or undesirable. Through an agouising procedure, both sides bave now presented budget drafts

plex programmes based on the same formula.

The responsibility of all protago-nists is to settle for a budget which is tolerable to both sides, but which may defer resolution of some of the bigger and more philo-sophical differences. The US should not go through this year on the basis of short-term spending measures and weekly manipu-lation of the debt ceiling, with market instability as a conse-quence. The credibility of policy in the world's largest economy would, to put it mildly, be damaged. The resulting upward pres sure on longer-term interest rates would undermine whatever credit was derived from greater fisca discipline.

Meaningful reform

Such an interim settlement would include a much smaller tax cut than the US\$177bn that is the latest Republican demand in response to the \$87bn that the White House has proposed. It is also unrealistic to expect Demo-crats to countenance granting authority over Medicaid to the states without adequate provision to protect the poor. It is doubtful whether the states are ready to receive the burden of such responsibilities without policy guide-Republicans have stressed the

meed for meaningful reform of Medicare, the federal health pro-gramme for the elderly, given that this expenditure has been the motor of federal deficits in recent years. They also have reason to doubt the plausibility of the President's proposed domestic spending cuts. These will require much greater precision if the overall package is to be trusted. But the outlines of a trade-off are now

clear and achievable. Such a bargain may well seem unheroic to the hard liners. Nonetheless, this year's elections will allow both parties to argue the general merits of more or less taxation and greater or smaller government. The next President and Congress would then have the opportunity to amend arrangements within the agreed framework. The present incumbents

and swiftly, put that

COMMENT & ANALYSIS



The FT Interview · Alexandre Lamfalussy

Emu's sprightly defender rey winter clonds swirled around the 35th floor office of Mr

The president of the European Monetary Institute tells Andrew Fisher, Peter Norman and Lionel Barber that monetary union remains the right policy and an attainable target

The choice of name - and the adoption, at Bonn's insistence, of

the present D-Mark." An indefinite delay in launching monetary union would be a bigger proposals for phasing the conver-sion of public debt into the new worry than monetary union with a few members. "This would be a political shock. Then 1 don't see single currency - put a largely German imprint on the Emu project. But Mr Lamfalussy said he did not believe Germany's lapse from Maasbow we could pursue other essen-tial political objectives such as comtricht virtue would jeopardise Emu. "I think it's perfectly within the mon defence and external and internal security. How can you make means of Germany to respect these citizens believe that these are going criteria.... I've no doubt in my to happen if, in an area [mooetary uniou] that has been worked on, prepared, discussed, voted on and mind about their ability to do that Instead, he is looking forward to two more immediate tasks facing

agreed on, things do not happen?" His remarks emphasised that Emu was politically driven. "You can't fix the dimensions of monetary union in terms of economics aloue, you have to introduce politics," he said.

owever, as a mone-

bers could be ousted later if they overstep the criteria. "Throwing countries out of Emu seems to be going a bittle too far."

Mr Lamfahussy made it clear that he would be no pushover for politicians when it came to selecting the countries that qualified for Emu. The poblical process is very much part of monetary union, but we do not want genuine choices to be polluted by political bargaining."

Although a final selection will not be made until early 1998, the Maastricht treaty requires the EMI and the European Commission to report this year to heads of government on progress by countries in meeting the eutry criteria. The most important qualifications in the Maastricht treaty are that public sector deficits

should not exceed 3 per cent of

In the shorter term, Europe's ris-ing unemployment poses a threat to the project. "I've always said that a bigb degree of unemployment entails risks for monetary union. The risk is that there will be politi-cal or public opinion pressure for reflationary or expansionary policies. Pressure of this kind to my mind is mistaken, because I do not believe unemployment is mainly due to the lack of effective demand.

15

K

wdle is of

relacur-

∞uid ance the

tele-

nent tbey urket

the

ser-med do a are the ber-uge ≥ut-

itry ing ere

for kur oy Tal

to

ıd. of

be

be

re

ill

g.

"The mere fact of having high unemployment doesn't prevent monetary union. It makes the management of the entrance into monetary union more difficult."

Mr Lamfalussy was critical of the way virtually all governments had been using Emu as the excuse for unpopular but vital reforms of tax and benefits systems. These problems exist with or without Maastricht and I think the mistake is to link them entirely to Maastricht."

He also deplored the failure by governments to explain the benefits of fiscal consolidation to their citizens. "There are not many countries or governments which have really managed so far to tackle the basic problems of reforms on the spending side," he said.

"Everything depends on the way fiscal and Dudgetary restraint is carried out, that's the crucial element. Clearly, budgetary restrain initially bas some deflationary impact. "If budgetary restraint is carried out in one-shot affairs, in particular raising taxes bere or there, then people will not see the end of the process. They will not have the basic feeling that things are under control." Mr Lamfalussy believes that peo-ple realise something is wrong and are prepared to accept that long-term problems, such as pensions and bealthcare, should be brought under control. "If govern-ments undertake a steady and credible policy to correct these problems. then I think the short-term deflationary impact can be offset by the confidence-building effect, and that would certainly be reflected in lower long-term interest rates." Appropriately, as the interview drew to a close, the clouds began to lift from Frankfurt's Eurotower.

that conform to these criteria. The American public cannot be expec- framework in place.

EU power failure

states.

Special powers

must first

New Year task that would most benefit consumers and free internal trade, it would do well to look to the European electricity market. For five years, EU energy ministers bave been discussing proposals to liberalise trade in electricity, without result. Their latest effort, at a meeting just before Christmas, came tantalisingly close, but was once again defeated by its opponents, led by France.

The aim is to open up the elec-tricity market to cross-border trading, and allow electricity generators and suppliers from one competition and the others to member state to set up in business in another. But putting electricity on the same free market footing as plies. This would have prevented full reciprocity between member soft drinks or shoes has, inevitably, run into bostility from the

established suppliers. There were, admittedly, special reasons for the failure last time. France, long the strongest opponent of a free electricity market because of the threat it sees to the state monopoly, Electricité de France, was engulfed in public sector strikes. It could not possibly have agreed to a measure some sort of process moving, despite French intransigence. which would have increased the job insecurity of power workers. Nonetheless, this was a missed opportuoity. Spaln bad made effective use of its EU presidency to transform waning opposition to the single electricity market into a positive drive in its favour. Germany - where industry generally favours liberalisation, but the power generators were opposed was shifting towards acceptance. The arrival of the EU's Nordle members had also strengthened the ranks of the liberalisers, while the UK has long been a strong nomic success of the EU, the competitiveness of some major advocate of the single power marindustries, and the credibility of its commitment to integration. ket.

Grounds for hope

Such momentum should not be allowed to dissipate under Italy's presidency of the EU, if at all possible. Rome has an ambivalent attitude towards electricity liberalisation: like France, its electricity market is dominated by a large state-owned producer, Enel. However, even Italy offers grounds for hope: Enel is due to be privatised, and a modicum of domestic liberalisation bas already produced

If the EU were to set itself the one independent power companies keen for change The latest draft directive to be

would be allowed to move to full

admit new players, but retain centralised control of electricity sup-

However, the states that sup-

ported NTPA were willing to use this draft as a starting point for negotiation, rather than continue

with the stalemate. This is proba-

bly sensible in that it would get

Without any agreement, the Com-

mission has the option of using

special powers to impose a single

market for electricity. Such a dras-

tic step would be premature now,

but might be justified eventually.

What is most important, however,

is that whatever scheme is ulti-

mately agreed should introduce

choice at the point where consum-

The creation of a single electric-

ity market is a matter of consider-

able importance, both for the eco-

Electricity is not, as France

argues, a public service which

should be exempt from the pres-

sures of competition. As recent

experience in the UK has shown,

market liberalisation can drive

down electricity prices dramatic-

ally, without jeopardising security of supply. These benefits have

been noted by consumers in other

countries, and should add to pres-

sures for reform. It is up to the EU

governments to respond to them.

ers buy their electricity.

of the institute, forerunner of the planned European central bank. In the politically charged debate about put before EU ministers was far Europe's economic and monetary from ideal. It was a compromise future, the former head of the Baslebased Bank for International Settlethat incorporated features of prements has won respect through his viously discussed schemes: the negotiated third party access (NTPA) scheme which would lucid and practical commitment to the single currency. throw open all EU members' elec-The EMI's blueprint for the trantricity markets to generators and

rency," he said.

sition to the single currency at the end of this century - along with the name "Euro" for the single curdistributors from other member states, and the Single Buyer (SB) rency - was adopted in full by scheme, under which all electricity would be purchased by a single beads of government at a summit in entity within each state. Those Madrid last month. states which wanted liberalisation

Citicorp and

Alexandre Lamfalussy,

president of the Euro

pean Monetary Institute, in down-town Frankfurt last week. Inside, the outlook was equally gloomy for Buropean economic and monetary

union - the project the institute is

charged with preparing. Days before, Mr Theo Waigel, the German finance minister, had made the damaging admission that Ger-

many - hitherto the only large Emu

candidate meeting the Maastricht

treaty's strict criteria for monetary

union - in 1995 exceeded the public deficit target. Coinciding with news

of economic stagnation and rising

unemployment, his remarks fuelled

fears about whether Germany could

meet future targets. With growth

slow across Europe - and French strikes fresh in the memory - the

economic and political environment

appeared increasingly hostile to

But the sprightly Mr Lamfalussy

remains unruffled. In a 90-minute

interview, he steadfastly defended

Emu as the right policy for Europe,

vital for the single market and attainable by the planned launch

Mr Lamfalussy, 66, has emerged

as Emu's most credible advocate

since his 1994 appointment as head

e of January 1 1999. "I don't see Germany, France and a number how in the long run we can have a of smaller countries" would be the single market without a single curminimum for launching Emu, he said. "But the smaller the initial Any delay that seemed likely to union, the more difficult it will be. be indefinite "would be vary, very worrying. I don't want to use the That's why the question of the ins and outs is one of the most imporword disaster, bnt it probably wouldn't be very far from it." tant we have to settle."

participating EU currencies.

the EMI this year. to come up with

the initial recommendations on

which countries will be founder

members of Emu; and to devise a

relationship between Emu and non-

by 1997."

Mr John Major, UK prime minister, has warned that the creation of a monetary bloc led by France and Germany could split the EU and spark trade wars, with weaker non-Emu currencies manoeuvring for economic advantage. Mr Lamfalussy made a cooler appraisal. "If in 1999 you have a limited number of countries and then very quickly one or two join one or two years later. you do not have this basic cleavage in Europe."

Even if established by just a small number of countries, be believes Emu could be expected to attract new members. "Monetary union will have a very strong magnetic power and [the single currency] would be a stronger anchor than

- testimony that put him in one of

Will Campbell succeed Reed?

Don't bet on it. Age is not on his

Patrick Poivre d'Arvor, one of

anchormen, is suffering from poor

court upheld a FFr200,000 fine and suspended prison sentence against

him for receiving some FFr500,000

Botton, the Lyons business man

France's leading TV channel has

decided to send "PPDA" off on a

long sabbatical and hand the task

of presenting France's prime time

worthy colleague. However, Canal

Plus, TF1's rival pay-TV station,

has no such qualms. A caricature

of the broadcaster will continue to

reception. Last week an appeal

have to retire until 2005.

France's best-known TV

in flights, meals and hotel

accommodation from Pierre

convicted of corruption. TFL

news bulletin to a less news

Fading out

side, especially since Reed does not

business.

tary technocrat, Mr Lamfalussy has to ensure that the politics of monetary union do not obscure the need for economically sound foundations. Ensuring that member countries can sustain their position after Emu is of paramount importance. "There is up point in trying to have monetary union except with countries which, in the long run, can live with Emu without major distur-

bances. For this reason Mr Lamfalussy sympathises with German demands for a stability pact that would bind Emu members to strict fiscal disciplines - with the threat of sanctions. "I do not regard the German questions or requirements as anything negative. These show the seri-ousness of their intention. I have a great deal of sympathy with Mr

Waigel's proposal." He did not, however, go as far as Mr Waigel's view that Emu mem-

gross domestic product and overall public indebtedness should not be

ical interpretation. What we will have to have is a professional interpretation. Three per cent is less open to interpretation, but then you come to a very different situation with the 60 per cent. The treaty says it is acceptable if yon are approaching 60 per cent at a satisfactory rate. What is a satisfactory rate? This is where sustainability comes in.

"The advice we give will be written, professional advice, based on sustainability. What the beads of governments do is their business. However, if we have a unanimous view clearly spelt out, and that view is the same as the Commission's, I don't see bow much leeway heads of government have to dissent from that. This may be an immodest view, but don't forget this is going to be published beforehand.

It will not be secret advice."

particularly generous donation given that out of a Vietnamese

population of 73m people only

Third time lucky?

disasters coming in threes? On January 17 1994 Los Angeles was

rocked by a massive earthquake which left more than 60 dead and

over \$30bn of damage. On January

17 last year more than 6,000 died in

\$100bn of damage. No wonder the

more superstitious chairmen of the

the Kobe earthquake which is

reckoned to have resulted in

What do they say about

70.000 speak French.

Financial Times

100 years ago

End of the American Beer War Shareholders in American Brewery Companies have every reason to congratulate themselves on the termination of the Chicago Beer War. That this conflict, which depreciated the exhilarating beverage to a value below the level of Chicago drinking-water, has been absolutely closed is now an ascertained fact, and there is no reason to doubt that the peace which has fallen upon the warring brewers of Chicago and elsewhere will bear fruit in increased profits to the companies concerned. One of the first fruits of the new arrangement will be an advance in the price of beer from \$4 to \$5 a barrel.

50 years ago

US strikes spreading Presidential intervention has at least temporarily averted a major clash between workers and employers in the US steel industry. The White House now expresses its conviction that the wage dispute in this vital industry will be settled by collective bargaining. The issue is by no means decided, however, and other clashes threaten disruption of normal production schedules.

retail banking operations, age concern swept aside when Geoffrey Bible wielded his new broom at Philip The revolving board room door at Citicorp has been given another Morris, has had a tough couple of twirl. Yet the changes have left Citicorp-watchers as confused as ever concerning one of the biggest years. He was one of a number of tobacco industry executives who questions in US commercial testified before Congress that they banking - who is being groomed to believed nicotine was not addictive succeed John Reed? Six months ago, three executives the hottest seats in American

seemed to be in with a chance. Now the most powerful among them - Pei Chia, 56, a vice chairman and head of Citibank's retail operations, is bowing out. A second, David Gibson, will retire at a similar age: he was only recently given the job of running Citicorp's

corporate banking business in the emerging markets. These exits come shortly after the departure of Christopher Staffen, the hatchet man and former Kodak chief financial officer who had been named a vice chairmen only recently. The three remaining vice

chairmen are also beginning to look like has beens. Bill Rhodes, Onno Rudding and Paul Collins have all been elevated in recent months to "policy-making" positions where they have less direct influence over decisions on the line.

Instead, a new name bas been thrust into the succession race. William Campbell, 51, until last summer chairman of Philip Morris'

4.

· · · · · - -

US tobacco business, has been put in charge of Citicorp's powerful anchor the comic news programmes of its popular "Guignol" satirical puppet show. reporting direct to Reed. Campbell, who was one of those

Engaged

OBSERVER

The crack down on the places where one can use mobile phones continues apace. PLO leader Yasser Arafat has decided to follow the lead of the best London restaurants and forbid the use of mobile phones in his presence. Visitors to his headquarters must now leave their cellular phones at a security post 200m from his beachfront base. Arafat's decision follows the recent death of Palestinian bomb maker, Yahya Ayyash, who was killed when his cellular phone blew up.

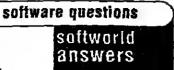
France has fallen in love again. Four decades after France pulled out of Indochina, Vietnam has been chosen as host of the next summit of La Francophonie, a loose club of about 40 countries where French is spoken. France, conscious that English is far and away the most popular foreign language in her old colony, is pulling out all the stops. The French are helping repovate the Hanoi opera bouse, a colonial building modelled on the Paris Opera and are donating at least FF170m (\$14.1m) towards the cost of the summit. It seems a

French farce

world's insurance companies are keeping their fingers crossed that the day after tomorrow passes off without another major catastrophe. Happy Burns day George Burns, the US comedian who started in show business in 1903, celebrates his 100th birthday this week. He was once asked: "Mr Burns, is it true you go out with young girls?" True

"Is it true you drink martinis every day?" "True." "Is it true you smoke 10-15 cigars a day?" True," "What does your doctor say about this?" "He's dead."

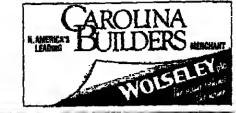
more than 60 per cent. "We are not going to have a polit16



for information

5011world cau0181-541 4865

FINANCIAL TIMES



Monday January 15 1996

Forbes' rich pickings in Iowa

r Steve Forbes was delighted. The lowa Republican hopefuls' debate, the first big event of the 1996 US presidential election campaign, had been dominated by attacks on him and his belief in a flat income tax.

At last, the other eight Republican contenders had stopped trealing the candidacy of the millionaire publisher as an expensive ioke, the mid-life whim of a man with more money than sense.

"In 16 weeks, I've set the agenda for the campaign." Mr

Forbes said. "This is great." Oninions will differ over whether Mr Forhes won the weekend debate, part of the campaign for the lowa party caucus which is likely, on February 12, to narrow the crowded Republican field to go more than three, Many would argue that although he appeared to have

White House race, writes Patti Waldmeir the battle on substance, and his opponents successfully ridiculed his proposal for a flat-rate tax of

17 per cent on earned income. They cast him as a rich man who would do more for his own class than for the poor. and would exacerbate the federal deficit. He admits the deficit would rise \$40hn in the first year. although he claims new revenues would soon erase that.

But Mr Forbes does not apologise for any of that. He believes in a seamless alliance of money and morality, huilt on the flat tax. Cutting taxes would boost growth and increase tax revenues, reduce the deficit and increase prosperity. That formula gave him second place in fowa opinioo polls before the dehate, far behind the frontrunner, Senawon the publicity race be lost tor Boh Dole, Senate majority his lowa organisation. Mr Forbes

leader, on 41 per cent, but at least his rating was in double figures. Those opponents trailing Mr

Forhes in single figures are clearly rattled hy that perfor-mance, made possible by the estimated \$10m-\$15m spent from his personal fortune on advertising. The Forhes campaign will not release exact figures. Mr Scott Reed, Senator Dole's

campaign manager, said after the debate. "They all have to get hy Forhes hefore they can get to Dole." So they left the senator largely alone during the debate, letting him look serene and statesmanlike, and implicitly confirming his frontrunner status. Mr Dole was delighted by the outcome, for he has an acknowledged edge over Mr Forbes, not just in the opinion polls, but in

Publisher is no longer a joke in Republican is struggling to huild that organisation. But the Dole organisation is

stronger on the ground, and that could count heavily on e cold night in February when supporters might have to decide whether to trudge through the snow to vote. The candidates are competing in the state caucuses to win delegate seats for an August national convention that will select the Republican challenger for the November election.

The other seven contenders are stuck in an indistinguishable pack. Mr Lamar Alexander, former governor of Tennessee, tried to stand out during the debate, with the best one-liners at Mr Forbes's expense. He said the flat tax idea was "like the Great Pumpkin - it's going to solve every problem that we have".

> Mistrust on the farm, Page 4 Editorial Comment. Page 15

THE LEX COLUMN Profits under pressure

From France's Rhone-Poulenc to Yield spread Germany's Thyssen, some of Europe's taly over German higgest companies have started the (10-year government bond yields)

drugs group and Sandoz, its Swiss

rival, both warned recently that local

increasingly clear that the Continent's

economic growth virtually stagnated in the final quarter of last year and that 1996 has started slowly. Warnings

from Britain's Redland and from Lyon-

plenty more warnings before then.

tre-right coelition, has his mind on his

Meanwhile, the centre-left coalition

looks too unsettled to pursue the peo-

ple's mandate. Moreover, until consti-

tutional and electoral reforms are

completed, there is little chance of a

decisive win for any party. So elec-tions could be postponed once more in

favour of a short-term coalition gov-

ernment, formed by politicians from

left and right, who could push through

these vital reforms more easily than

Italy

forthcoming trial.

currency strength will hit profits. But the malaise is spreading. It is

new year with the wrong kind of bang - a profits warning. Falling commodity prices and destocking have been hitting chemicals, paper and steel for soma time. Not surprisingly, the gloomiest trading statements have come from these quarters. Akzo Nobel from Holland and Rhône-Poulenc have warned of poor demand for bulk chemicals; Finnish pulp producer Enso-Gutzeit has cut production; and Thys-3 sen admitted that its steel sales felt 13 par cent in the three months to 1994 December. Another problem has been Source: FT Edd currency appreciation against both dollar and yen. Astra, the Swedish

Mr Dini. Mr Dini's departure would not be had for Italian financial mar-kets. He failed to live up to the promise of earlier technocratic administrations. His government's pension reforms and hudget were weak and he lacked the political hacking to tackle the country's debt mountain. Hence the poor performance of the lira and government bonds during his premier-

naise des Eaux have blamed weakness in the German construction industry. This could also affect German banks, At least, the Bank of Italy has been undeterred by recent political uncergiven their heavy exposure to the sector. Others at risk include French tainty and has held up interest rates against the recent downward trend elsewhere in Europe. Indeed, interest retailers following the strikes and a subdued Christmas, and the European cuts may be in the offing, now that inflation is abowing signs of easing. Prospects for the second half look But unless there is the prospect of a brighter. Either destocking will have government which will tackle Italy'e deht, the outlook for currency and run its coursa or governments will come under strong pressure to relax monetary policy. But there will be bonds will be pnexciting.

Forte/Granada

As the race for control of Forte approaches its close, Granada looks ahead among UK fund managers, but valuations of new Forte and new Mr Lamberto Dini's latest resigna-tion as Italy's prime minister could be his last. Although he could yet he Granada suggest it should be a tight asked to resuscitate his technocratic finish, New Forte would be a streamadministration in a different guise, the lined husiness with e new-found comodds are not high. That does not necmitment to cost-cutting. essarily suggest immediate elections. Mr Silvio Berlusconi, leader of the cen-

Moreover, its share buy-back programme - regardless of Granada's protests - provides comfort that the shares would stay above 330p if the bid lapses, with a further 23p to come from the Savoy demerger. Such a level is likely to be underpioned by earnings. New Forte could achieve profits of £230m in 1996-97, before buy-backs. Assuming an earnings neutral buy-back, this translates into a p/e of 17. This is a 25 per cent premium to the market, but it is supported by the promised disposal of Forte's low-return trophy hotels. By comparison,

Granada's 362p cash offer does not look compelling.

Nonetheless, if Granada wins and delivers promises of cost cuts and hotel salea, its shares will perform strongly. Earnings could be enhanced hy close to 15 per cent in 1996-97, underpinning a cash and share offer which already amounts to 379p. There are risks on both sides. If Forte's management transformation proves short-lived, if its trophy assets are not sold or the hotel market stutters, a 330p valuation will look stretched. And if Granada cannot sell Forte's luxury hotels, carnings will be diluted, cost-cutting will slow and the value of Méridien could decline through lost managemant contracts. There is not much in it, hut Granada's better track record must give it the edge.

UK utilities

Here is e proposal that just might resolve the letest controversy in utility regulation. On one side of the debate is Mr Ian Byatt, the water regulator. He wants water companies absorbed in larger groups to refloat some of their shares, believing a stock market listing will make them easier to regulate. On the other side are utilties. They rightly argue that Mr Bysit's proposal would kill off takeovers in the sector. It would be financial madness to pay a fat premium for a utility and then float a minority stake at a discount,

ć₹

NT:

1.1 12

1.25

44

This

SOUTH AF

Inves

Geng

Dright

 $\mathbf{x}_{1:i}$

Grand Marine Marine Marine

1912-17130-1 1912-1 1912-1 1912-1 1912-1

тер. Заўдзі і Т_{ле з}і

159a - 1

 h_{0}

inclus.

 $P_{2}^{\mu} \in P_{2}^{\mu}$

 $\{\psi_{1,i}\}$

200 A.S.

A possible compromise would be to use US-style "tracking etocks". These allow investors to share in the finan cial performance of specific hush nesses, although they remain fully owned by the same group. The best example is General Motors, which has three classes of share - one to track the performance of its automotive husiness, one to track its Hughes defence husiness and one following its EDS information technology husiness If, say, United Utilities employed

this technique, it would distribute to investors one class of securities to share in North West Water's perfor-mance and another to track the recently-acquired electricity utility Norweb. That should please Mr Byatt separate accounts would be published; separate groups of shareholders would help ensure one utility was not disadvantaged for the sake of the other, and separate listings would be required. Crucially, there would be no need to sell off a block of shares at a discount - the flaw in Mr Byatt's proposal.

higher productivity' than UK By Robert Taylor,

Employment Editor, in London

American precision engineering companies achieve much higher productivity than their UK competitors hut with less skilled workers, according to the UKhased National Institute of Economic and Social Research.

An NIESR study published today says US engineering companies record productivity levels two thirds higher than their UK counterparts

The study also suggests US productivity is 25 per cent higher when compared with Dutch competitors.

It cites large economies of scale achieved in American plants as the main reason for the sharp

productivity gap. In the US, bigger average batch sizes are the norm, reducing the need for employees to move betweeo different machines and products, which is often a neces-

sary requirement within UK and Dutch workforces.

US engineering groups 'have

The report, by Mr Geoff Mason and Mr David Finegold, argues that the large difference in per-formance is also explained by the US use of graduate engineers who are able to substitute for scarce techniclan and supervisory skills.

"These graduates were found to play a significant rola in pro-duction planning, machinery adaptations and the implementation of lean production techniques such as celiular production systems in US plants," the report says.

The authors believe the recent rapid growth in the number of UK graduates emerging alongside the development of e US-style, mass higher education system will eventually help to improve productivity performance in the country's manufacturing sector. The study adds, however, that this trend can complement but not act as a substitute for mora

job-based training, supported hy an extension of part-time vocational education.

It also suggests the "most striking" feature of the American system of skills development is the willingness of a relatively large proportion of adult workers to invest their own time and money in retraining and further and higher education.

in addition, many employers are willing to help with tuition fees and other expenses. The study is based on a com-

parison of matched samples of American. British and Dutch production plants in three selected hranches of precision engineering that cover centrifugal pumps, hydraulic valves and compression springs.

Productivity, Machinery and Skills in the United States and Western Europe: Precision Engineering NIESR discussion paper No 89 £3.00 from NTESR, 2 Dean Trench Street. Smith Square, London SWIP 3HE.

which officials revealed the cover-up had extended from plant officials to company headquar-

Officials told the press the video tape had heen heavily edited before it was given to the media after the accident.

made an affair mostly because the video tape has been edited." he is reported to bave written in

nuclear officials are hiding inforamhitious nuclear programme. The Monjn experimental fastbreeder reactor was centre-piece of these plans.

Local residents are demanding the permanent closure of Monju, named after the Japanese goddess of wisdom.

Such opposition has increased the costs of construction as residents, industries and municipal governments have sought gov. erameol compensation.

N-reactor man suicide Continued from Page 1

car industry, which has suffered fourth quarter production cuts. ters in Tokyo.

"I am sorry that it has been

one of the notes. The Monju accident has increased public concerns that mation about the dangers of the

BA seeks bids for \$1bn aircraft order

Airline planning to buy up to 60 regional jets in biggest deal since 1991

By Michael Skapinker In London

British Airways has asked five aircraft manufacturers to submit bids to supply it with up to 60 regional jets - an order the sirline said could be worth more than \$1bn.

BA said the purchase, its higgest aircraft urder for five years. would consist of 30 firm orders and 30 options. One of the most important considerations would be the quietness of the aurcraft on

The airline announced that It would make a decision by the summer, with delivery of the aircraft to start at the beginning of nest year. Mr Robert Avling, BA chief

also talking to manufacturers about developing an aircraft with a higger capecity and longer range than the Boging 747-400, which carries 405 passengers. Mr Ayling said BA wanted the large aircraft to enter service by the end of the decade. The five manufacturers which

have been asked to submit bids for the regional jets are Boeing and McDonnell Douglas of the US. British Aerospace, Fokker of the Netherlands and Airbus, the European manufacturing consor-

tium BA has traditionally been a Bneing customer, although its ficet does include some McDonnell Douglas aircraft. It has no Continent from Birmingham,

000

1020

1010

LOW

5.0

Warm front

بلغب

12

1020

1010

executive, said the alrline was British Aerospace jets, although it does have 14 BAe turboprops. The airline has never bought an aircraft from Airbus, although Its fleet does contain 10 Airhus A320s which were ordered hy British Caledonian hefore BA acquired British Caledonian in

The regional jet purchase would he the largest aircraft order by the airline since August 1991, when it ordered 15 Boeing 777s, with options on a further 15, and 24 Boeing 747-400s. BA said the new alrcraft. which would be in the 80, 100 and 120 seat category, would replace Boeing 737-200s on UK domestic routes and on services to the

Edinhurgh, Glasgow and Manchester. BA took delivery of the Boeing 737s in 1983 and 1984. BA said that some of the aircraft would he used hy Deutsche BA, in which il has a 49 per cent stake. Mr Ayling said: "By working with our alliance partners, we are expecting substantial savings hy huying in

bulk." BA said that while the five manufacturers were free to offer whatever aircraft they thought suitable, the airline was likely to choose from the following jets: the Boeing 737-500 or -600; the McDonnell Douglas MD-95; the Airbus A319; British Aerospace's Avro RJ85 and RJ100; and the Fokker F100 and F70.

Ö

15

÷

010

LOW

ніен

55

1020

Wind speed in KPH

1030 -7



1930

☆

19

ŭ

Cold fron)

18

Europe today

A weakening frontal zone will bring cloud and drazte to Scotland and Ireland. The real of the British (sies will be mostly overcast but dry. The Benelux, north-eastern France and much of Germany will have log patches in the mamino which will ove way to suppy spells. France, apart from the south-east, will have plenty of sun. North-west Spain will be suriny with a lew showers. Portugal and woolern Spain will have rain. Large areas of lew cloud will cover Scandinavia and most of north-eastern Europe, Scandinavia will have langering freezing log in some regions. Several showers will affect the easter Mediterranean, including Greece and Egypt Turkey will have snow showers in the exiteme north

Five-day forecast

A strong high pressure area over Russia will temporanly move towards central Europe. pushing colder air towards the south and west. Morning log will be passible. Showers will affect the Mediterranean from Wednesday, Bain from Atlantic depressions will not affect the UK until the weekend

TODAY'S TEMPERATURES

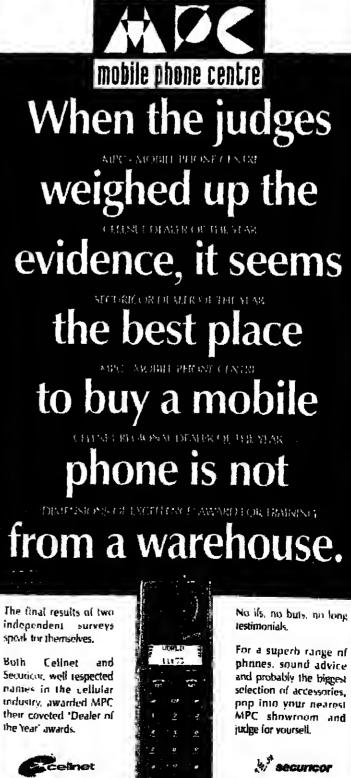
TODAY'S	TEMPER	ATU	169			Summer at	t: GLIT T	0	alurgs marine	un for day.	Fore	casts by Meteo	Comulto	d the	Nelherlands		
Abu Dhabi Auran Algara, Ameno Algarta Bi Nere, Bi ham Banchok Barchara		Norm Namo 20 10 10 11 20 11 20 11 20 11	Poling Bollagi Bollagi Bornuda Bornuda Bornuda Bornuda Bornuda Bornuda Bornuda Bornuda Chagan Cano Cupe Type	lar drzzi claudy cloudy far chudy sin lar drudy chow tar gar	Auto255517-54	Caracas Caraiff Casablanca Chicaga Chicago Daitas Daitas Daitas Dubla Dubla Dubla Dubla Dubla Dubla	lan lan lan lan lan tan tan sun sun cloud, cloud, cloud,	29 10 17 27 25 7 25 7 21 7 21 7 21 7 21 7 21	Fare Frankfurt Gereva Gibarara Gibarara Gibargew Hartburg Hereluka Isranbul Jakama Jesabul Jakama Jesabul	শ্বেন কিন্তু কিন্ত কিন্তু কিন্ত কিন্ত কিন্ত ক কা কিন্ত কিন্ত কিন্ত ক কা ক ক ক ক ক ক ক ক ক ক ক ক ক ক ক ক ক	15 7 8 1 8 R - 2 2 5 3 1 1	Maddd Majorca Marchaster Martita Melbourne Melbourne Mexico City Miarni Miari Mortreal Mortreal Mortreal Martich	(sr tar tar cfoudy cloudy lar sun sun lar sun sun sun sun sun sun	12 16 17 11 30 30 77 35 8 -8 -6 0 20	Pangoon Reys Jawk Rio Rome S. Frace Secut Singapore Stockholm Stockholm Stockholm Stockholm Stockholm Stockholm Stockholm Tangier Tel Anv Tangier	sun rain trouty sun trouty cloudy cloudy cloudy tog fai rain cloudy cloudy	31 5 29 13 13 7 29 2 0 21 17 18 14
			wish you Iftha						Kuwad L Angelos Las Palmas Lisbon Losbon Losbon Losbon Losbon Losbon Losbon Macsire	sun fair shower cicuch rain iair iair log tair shower	17 20 27 14 11 1 6 17	Naples Nassau Naw York Nice Nicosta Osto Patis Patis Patis Patis Patis	iatr Iatr Sum Sum Iatr Sum Sum Sum Iatr	13 25 2 15 14 0 7 30 4	Teromo Vancouver Venice Vienna Warsaw Washington Weilington Weilington Weilington	lair rain Sun Lar cloudy lair cloudy taxdy fog	1789748282

A.A.

Barnsley 01226 270880 Baslidon 01268 522288 Basildon 11248 288868 Basingstoke 11256 3303333 Brighton 111273 609-242 Bury SI Edmunds 01284 75 lot XI Cambridge 112223 462482 Canterbury 01227 780111 Chelmsford n1247 J53408 Chichesler 11243 771 113 Colchester 01206 369800 Eastbourne 01323 720200 Faceham 01329 825511 Folkestone 10 103 259000 Cloveester 01452 502525 Grays 111375 396693 Hartlepgol 01429 1345p6 Hemel Hempslead 01442 2334103 Horsham 01403 260410 1prwich

01473 215915

DEALER OF THE YEAR



DEALER OF THE YEAR

Luton 11582 487 784 Maldstone 01622 -63-1 Northampto (1)604 259414 Orpington 111189 8 26084 Peterboroue 01733 5537-3 Rainham DI 708 534406 Redditch 01527 584588 Romford 01 108 753348 Southampton 01703 211433 St Albans 111727 854444 Slevenage 01438 751175 Strood 01634 29649 Westcliff-on-Se 01702 333766 LONDON Enfleid 0181 367 5333 Fenchurch Street 0171 709 9000 South Woodfo 0181 532 9663 Strand 10171 240 (0223 Surrey Quays 0171 252 0787 imooile aboae centi

E





FINANCIAL TIMES COMPANIES & MARKETS

OTHE FINANCIAL TIMES LIMITED 1996

Monday January 15 1996



MARTIN DICKSON: GLOBAL INVESTOR The benign view of Europe's economic slowdown, and that of Germany In particular, is that it is a mid-cycle pause - growth will resume this year at a modest, non-inflationary pace. However the benign view of Europe'a progress seems vulnerable on several counts. Page 19



HOBERT CHOTE: ECONOMICS NOTEBOOK

Ever since the inception of the welfare state people have objected to the resources which it absorbs and the side effects it produces. Their voices are louder now than in the past, but this may have less to

do with changing economic realities than with a shift in political debate. Page 19

BONDS

Quebec passed a milestone in debt markets last week, issuing its first public bond since October's referendum in which voters turned down independence from Canada. But the terms of the issue have underlined the challenges facing Mr Lucien Bouchard, the separatist leader who takes over as premier later this month. Page 22

EQUITIES:

Investors in the US will be watching to see if a deal can be struck to balance the federal budget by 2002. Meanwhile in London, investors are concerned about whether the slowing economy is having an adverse effect on the earnings growth of UK plc. Page 21

CURRENCIES:

Economic data from the US this week may at last push the dollar out of its current ranges. Most important could be payroll figures, which, if weak, could cause the currency to weaken. Page 20

COMMODITIES:

Coffee tutures values staged a modest raily last week but are still about 46 per cent below last year's highs. Producers meeting in Brazil this week are likely to consider tighter export limits to arrest the sharp decline in world prices. Page 19

INTERNATIONAL COMPANIES:

Most market analysts and industry executives insist the recent high technology sell-off will prove to be another temporary correction. But they argue that investors on both sides of the Atlantic need to take a longer-term view and become much more selective if they are to ride the technology wave successfully. Page 17

Tracinda steps up its battle with Chrysler By Haig Simonian In London and Richard Waters in New York pany should distribute more cash

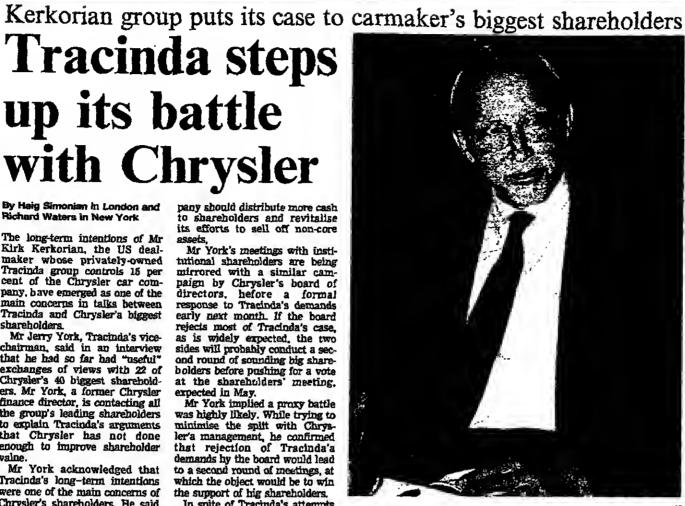
to shareholders and revitalise its efforts to sell off non-core The long-term intentions of Mr

Kirk Kerkorian, the US deal-maker whose privately-owned Mr York's meetings with insti-tutional shareholders are being mirrored with a similar cam-Tracinda group controls 15 per cent of the Chrysler car compaign by Chrysler's board of pany, bave emerged as one of the main concerns in talks between directors, hefore a formal response to Tracinda's demands Tracinda and Chrysler'a biggest early next month. If the board rejects most of Tracinda's case,

Mr Jerry York, Tracinda's viceas is widely expected, the two sides will probably conduct a sec-ond round of sounding big share-bolders before pushing for a vote chairman, said in an interview that he had so far had "useful" exchanges of views with 22 of Chrysler's 40 biggest shareholdat the shareholders' meeting. ers. Mr York, a former Chrysler expected in May. Mr York implied a proxy battle

finance director, is contacting all the group's leading shareholders to explain Tracinda's arguments that Chrysler has not done was highly likely. While trying to minimise the split with Chrysler'a management, he confirmed that rejection of Tracinda'a enough to improve shareholder demands hy the board would lead Mr York acknowledged that to a second round of meetings, at Tracinda's long-term intentions which the object would be to win were one of the main concerns of the support of hig shareholders. In spite of Tracinda's attempts Chrysler's shareholders. He said that Tracinda had no exit stratto sway opinion, many US motor egy for its stake and he would analysts remain perplexed about give no assurances that it would its ultimate intentions. Their doubts stem from Tracin-

not sell the shares once the price da's record as a dealmaker and In an increasingly bitter war of the impression created last April, words with Chrysler's managewhen Tracinda is widely thought ment, Tracinda has said the comto have made a bungled takeover



Tracinda's Jerry York: 'useful' exchanges of views

attempt for Chrysler. Mr York said the events of April had been a "bad misunder-standing. Tracinda thought it was proposing a friendly management-led huy-out of the company,

The rally in European government honds is spilling over into the international bond

market, with issuance of new

paper reaching record levels over

The intention was for the Chrysler board to look at the proposal and assess it. The offer would never have been made if anyone had felt it would not have been welcome.'

Granada sought to secure Forte voting control ing power to push a deal

By David Wighton in London

Granada tried to strike a deal which could have given it voting control of Forte for just £50m (\$77m), whatever the outcome of its £3.8bn hostile bid. It has emerged that Granada,

the UK leisure, television and catering group, attempted to per-suade the Council of Forte to sell its Porte trust shares, which carry half the voting rights, without restrictions.

This would have enabled Granada to gain voting control of the UK botel group, even if less than 50 per cent of Forte's ordinary shareholders accepted its offer. Such a move would have angered Forte's institutional investors, however, and the Council insisted that it would only sell the trust shares on condition that Granada secured a majority of the ordinary shares. On that basis, Granada said it was only prepared to pay £10m, an offer the Council turned down. Granada finally accepted the Council's condition and a deal was agreed on the trust shares at £50m.

Granada yesterday denied it had ever had any intention of using the trust shares to influence the outcome of the bid and

said its attempt to get an unrestricted deal had heen merely a

"negotiating technique". "We could never use that vot-Lex, Page 16

Warsaw's rise sparks hope for region's bourses By Conner Middelmann in London

Monson, chief equity strategist

at Daiwa Europe. At the end of 1995 only 149 A 15.5 per cept rise in the companies with a total market capitalisation of \$19.57bn were Warsaw stock exchange in the first few days of trading this listed on the four main central year and signs of renewed for-European stock exchanges. eign investor interest in Prague according to Nomura. Prague

Issuance of new paper hits record

'Epic' volumes as D-Mark replaces US dollar as preferred denomination

from the rally in German government bonds, fuelled by evidence of continued economic slowdown and speculation of further cuts in

demand for D-Mark honds to increase further. "We believe that in 1996, yields on 10-year German government

offerings. More supply is in the pipeline for this week, with Ger-many's L-Bank set to issue DM1bn (\$600m) of 10-year bonds. Competition among hanks to increase their share of eurobond underwriting business has also contributed to the surge in issuance, with several highly capitalbonds should fall to 5% per cent ised commercial banks particularly active. As a result, the bund market this year has outperformed the US Treasury market, which has been overshadowed by political wranglings over the US Budget and a pause in the flow of official economic data due to the partial closure of the government. This outperformance has seen the yield premium of German government bonds over US Treasuries narrow to seven hasis points on Friday, from 24 basis points a week earlier. Mixed feelings over flood of new issues, Page 22

through, so it would have been of no value in practice," it said. One leading fund manager, who has large stakes in both

LEGAL DEFINITIONS

dispute v. 1 a matter for litigation 2 no it's not 3 oh yes it is 4 I'll see you

in court 5 consult ROWE & MAW: asap

Rowe & Maw

LAWYERS FOR BUSINESS

(ph 0171-248 4282)

companies, said "as a share-holder" be would have been "outraged" if Granada had used the trust shares to gain an advan-tage. But be did not criticise Granada's tactics.

17

19

K

wdle is of

> rela cur

could

ance

tele nent they

rket

the

ser

med 1o a

are

the

ber-

uge

Put-

itry

ing

ere for

Jar-

ny. Tal

to

ıd, of

na-

he

be

re

be 111

\$. भे

the

Forte had ruled out trying to influence the Council, believing it would be unacceptable to the City. The Council holds 780,000 Forte trust shares, less than 0.1 per cent of the share capital. The war of words continued

yesterday as Forte renewed its attack on Granada's claim that it would improve Forte'a profits by an extra £100m next year.

Forte said virtually all Granada's proposed changes had been implemented and that the 300 people Granada proposed to cut from Forte's head office included operational hotel management and sales teams. It also claimed a hetter food purchasing record than its adversary, with costs up 1 per cent over three years against inflation of 8 per cent.

Mr Rohinson replied: "Forte's disbelief that its profits can be improved so much sums up the whole essence of the company's poor performance and shows why its management is never going to get it right."

UK COMPANIES:

Ms Ann Iverson, chief executive of Laura Ashley, will today make the final two appointments to her management team, completing a six-month shake-up that has seen almost all senior positions change hands at the clothing and furnishings group, Page 17

STATISTICS

London recent issues . Base lending rates FT/S&P-A World induces .. 19 Money markets New mt bond issues ... FT Guide to currencies 20

and a strong performance on mature markets kept emerging markets down for the rest of 1995. But while stocks languished, the economies of eastern Enrope benefited from an export-led recovery in industrial London share service . 20-27 output. "More and more compa-Managed fund service 28-29 -25 nies are moving into the financial comfort zone where inves-tors, including foreign investors,

shareholders.

valne

had risen.

By Anthony Robinson,

East Europe Editor

and Budanest could be harbinwith 63 listed companies and a gers of a rebound in central total capitalisation of \$11.99bn. European share prices. topped the list, followed by Poland with 53 listed stocks cani-The Mexican crisis damped last year's predicted recovery talised at \$4.4bn, then Hungary and Slovakia.

On such thin markets a small influx of money can have a dis-proportionate impact on prices. The sharp rise in Warsaw bourse came on an average daily turnover of around 120m zlotys, less than \$50m, over the five most recent sessions, compared with an average of around 40m zlotys a day last year.

can feel happy," said Mr Roger Emerging markets, Page 20

the past fortnight. "Volumes are reaching epic proportions," said one eurobond syndicate manager. "The first two weeks have felt like

months." Since the beginning of the year, 180 international honds worth \$37.6bn have been issued, compared with 133 deals totalling \$24.6bn in the same period in 1995 and 158 transactions worth \$36.4bn in 1993, the previous record year, according to Euromoney Bondware, a UK capital markets database.

Tomkins

130 ----

120

110 -

100

Share price relative to the

FT-SE-A All-Share Index

Investors have been particularly hungry for D-Mark denomibonds. nated paper, which has benefited

German interest rates.

or lower, and could be 50 to 75 As a result, some 31 per cent of this year's new issuance has been basis points below those on US denominaled in D-Marks, while Treasuries," said Mr Michael Dee, US dollars have accounted for 28 head of bond syndicate at Mor-gan Stanley, the US investment per cent. That is a reversal from the usual distribution, where US bank. "That should translate into dollar bonds make up about 40 greater demand hy US fund manper cent of issuance. The agers for D-Mark bonds and con-D-Mark's market share in 1995 stood at 19 per cent while US tinued high levels of D-Mark issuance in the international bond dollar bonds accounted for 36 per market." cent of all new issues that year. Already, bond dealers have Sterling bonds made up the thirdbeen reporting significant shifts

by international investors out of largest currency sector in terms of issuance, with \$3.6hn of new US dollar holdings into D-Mark denominated bonds, boosting Dealers expect investor demand for last week's D-Mark

This week: Company news

SOUTH AFRICAN GOLD Investors look to Gengold for brighter signs

investors in South Africa's ailing gold industry will look to Gengold, the Gencor subsidiary, for promises of a better year in 1996, when the group unveils its second quarterly report tomorrow, writes Mark Ashurst.

The last quarter has been frenetic for Gengold as Mr Brian Gilbertson, chairman of parent Gencor, has spearheaded massive restructuring of the gold division as part of plans to reposition Gencor as a world-class ummer house.

Gengold recently disposed of four of its marginal gold mines and invested heavily in operations in the Evander and southern Free State areas. Anglovaal quarterlies are also due

tomorrow, fullowed on Thursday by those of Anglo-American's gold and uramum divisions, which provide management services to privalely-owned mines. Management contracts will continue

to fuel debate after Gencor's move last year to scrap its costly management contracts with smaller "captive" mines the legacy of financing deals struck by prospectors in less austere times.

Rising production costs have spawned initiatives to woo union co-operation in cost-cutting. "There will be a need to justify existing management structures if mines want tu get labour nu board." said one

analyst. Johannesburg Consolidated investments, the mining and industrials holding group earmarked by parent Angle-American for unbundling, will also unvell quarterly gold and minerals results on Thursday. The stock price has long reflected uncertainly over JCTs future, with the discount slightly higher than the 15 per cent average for industrials. JCI will roman in the spotlight on Friday when it is expected to announce a hedge on builtion sales to fund capital investment at its Western Areas mine.

JSE Indices (rebased 120 ----

60 Source: FT Extel

South Africa

OTHER COMPANIES Markets fuel growth at Wall St firms

US banks and securities houses are expected to post strong increases in fourth-quarter earnings over the coming weeks, with growth fuelled mainly by trading activities in financial markets, writes AFX in New York. Earnings will benefit from a failing interest rate environment and a positive comparison with a very weak period a year earlier. The quarter will also be marked by continued high levels of credit quality, say analysis.

Ms Diane Glossman of Salomon Brothers said money centre bank results had a "decent trading quarter tempered hy lacklustre seasonality" as traders squared up positions for year-end accounting. She said the equity market had "stayed strong" to the end of the fourth quarter, raising the prospects for large trading gains. Conditions in other areas, such as retail banking, were difficult to judge Mr Ryan O'Connell of Moody's said

business conditions for the securities houses had improved in the fourth quarter, after an already favourable year. Earnings at the securities houses were also supported by heavy issuance of investment grade debt and increased

equity underwriting. The favourable trading environment and a crescendo in mergers and acquisitions activity should also boost earnings, he said, noting that comparisons with the "awful" fourth quarter of 1994, in which there was very little demand for underwriting, should also be positive.

Mr Jake Newman of Standard & Poor's said operating conditions were "quite good" for the securities bouses against 1994 but he added that the quarter was unlikely to set records.

Tomkins: The UK industrial conglomerate is expected to come under pressure next week to reveal details of its estimated \$1bn takeover of Gates Rubber, the US automotive and industrial components manufacturer. The company, which publishes its first-half results today, has not disclosed the exact value of last month'a all-paper offer. The deal promises to make Tomkins the world's largest maker of power transmission belts and hose products.

Gates, the privately-owned Colorado group, chose Tomkins as the favoured hidder for its components subsidiary after rejecting rival offers from Tenneco, the Houston-based industrial group, and Dana Corporation, the Ohio car parts manufacturer. In addition to offering Tomkins

shares, the group has also agreed to take on \$240m of Gates debt. Once completed, the deal would be Tomkins' largest acquisition since its

£990m (\$1.5hn) takeover in 1992 of Ranks Hovis McDougall, the UK foods group. Most analysts forecast interim pre-tax

profits of about £128m, up from £114.5m. The improvement is thought to have been fuelled hy huoyant demand for milling and baking activities, and steady growth in the fluid controls division.

Co

Companies in t	his iss	üe .			
31	18	Chrysler	17	L'Oreal	18
Amotis	18	Ferruzzi Pinanziaria	18	Maybelline	15
Ashley (Laura)	18	Financial Dynamics	18	Mediobanca	18
Babcock	18	Fleming (Robert)	18	Menill Lynch	18
Banque Indosuez	18	Forte	17, 16	Michelin	18
Benckber, Joh. A	18	Granada	17, 18	Telmex	18
Cerus	18	Komerchi Banka	16	Tracinda	17

80 L 1992 93 Its financial performance may have been dented by currency translation. The group could lose out by converting

US profits - more than balf the total last year - at \$1.58 to the pound, against \$1.48 last time. A robust trading performance should lift earnings per share from 6.59p to about 7.5p.

telecommunications group, lacking a permanent chief executive since the end of November, holds an extraordinary general meeting today to The purpose is to make it possible for

the company was a department of state. abroad.

and Mr James Ross, respectively the former chairman and chief executive.

Move your business closer to Europe

Move over to Dover. You'll have 24 hour passenger and freight access by sea or tunnel to all the major European centres, and fast Eurostar links from the International Passenger Station nearby.

You'll have efficient modern premises in a region which attracts high quality, well trained labour and you may benefit from government capital grants and locally available incentives,

This new hub for European business has three flagship developments offering unprecedented opportunities plus the civic determination to help new businesses prosper. The details are available from Ken Welsh on DOVER 01304 821199.

Cable and Wireless: The UK-based

change its articles of association. a non-Briton to become chief executive, something forbidden when

Headhunters are seeking at home and Shareholders may have the opportunity to quiz directors over the departures of Lord Young of Graffham

Source: FT Exter

COMPANIES AND FINANCE

Gucci sale boosts profits at Investcorp

By Alice Rawsthorn

18

Investcorp, the Bahrain-based investment group, saw net profits rise 38 per cent to \$70.3m in 1995 following the successful flotation of Gucci, the Italian fashion house.

Mr Eli Hallach, joint chief operating officer, said the Gucci share sale on the New York stock market in October was a "very significant contrihutor" to the increase in last year's profits, from \$51m in 1994.

Investcorp also benefited

from three other disposals. It dividend payment of \$15m. representing la per cent staged public offers for part of its stake in Circle K, the US of investcorp's paid-in convenience stores, and its capital. remaining shares in TLG, the The company was founded in 1982 to identify US or Eurolighting concern. Most of its shares in Computacenter, a UK pean medium-term recovery computer services company, stocks for investors in the were sold in a private transac-Gulf. Its aim is to retain con-

trol of the companies, typically The value of Investcorp's for up to five years, until they assets rose to \$1.7bn by the end recover and can be sold at a of 1995 from \$1.4bn a year earprofit. lier. Shareholders' funds increased to \$458.8m from \$406.3m over the same period. The board has proposed a

shares in the company - which As well as its remaining went into the red in the early holding in Gucci, the group's 1990s hut has since recovered investments include Saks Fifth to become one of the world's Avenue, the US stores group; leading fashion houses - at \$22

ing manufacturer.

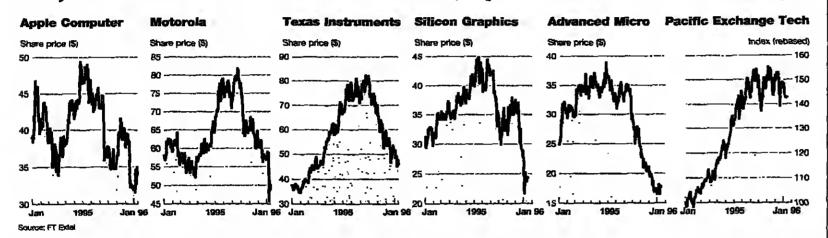
each. Demand for the shares Chaumet, the French jeweller, and Mondi, the German clothwas so strong that it solo an additional 8.5m, thereby releasing 19 per cent of the equity. Mr Hallach said the bulk of

It will eventually sell its last year's profits came from the four corporate divestments, remaining shares in Gucci but has not yet fixed a timetable. with the remainder derived from investment hanking Mr Hallach said the group activities and interest income. planned a number of divest-Gucci was the largest of last ments for 1996, but the size and year's disposals. Investcorp timing would "depend on maroriginally planned to sell 16m ket conditions".

He added that investcorp had not yet decided when to divest Saks Fifth Avenue, its largest investment, which was acquired for \$1.6bn in 1990.

High-tech shake-out could turn into a rout

Analysts insist the fundamentals remain sound, report Louise Kehoe and Paul Taylor



American T ervous investors fear that the high-tech stock boom of 1995 - fuelled by excitement surrounding the increasing popularity of the Internet and the launch of Microsoft's Windows 95 personal computer operating system - could turn into a rout in 1996.

Some large investment funds, including Fidelity's Magellan Fund with \$53.2hn under management, have already reduced their exposure to the volatile technology sector, and many individual investors who jumped on the 'bny technology' bandwagon early last year are following suit.

Over the past few months technology stocks in the US have fallen sharply.

Several factors have contributed to the souring of investor perceptions. First. a handful of companies have hlamed price competition in the personal computer, electronic components and cellular telephone markets for lower margins and sed profits forec

Nevertheless, most market marked sharply lower. analysts and industry execu-With Intel, Microsoft and tives insist the fundamentals several other large US informaremain sound and that the tion technology companies recent sell-off will prove to be scheduled to report quarterly results over the next two another temporary correction. weeks, high-technology stocks 'Most growth fund managers may be in for more big swings. Early reports from Micron invested in technology stocks quite reluctantly last year," said Mr Roger McNamee of Technology and Motorola, as Integral Capital Partners, a Silwell as Apple Computer's announcement of anticipated losses and plans to restructure lcon Valley investment group. "[Last year] was the first year in the last 15 years when a diversified growth stock portfolio manager in the US could not outperform the market without heing a significant owner of technology stocks. But they were not comfortable investing in companies they did not fully understand. At year-end they finally were in a position to get out and they over the past year. sold like crazy." As a result Intel, the world's

largest chip maker and the dominant supplier of microprocessors to the personal computer industry, has seen lts share price drop more than 22 per cent. from a high of \$73h capacity chips, rather than a significant softening in ware market leader, is down 21 per cent from its July peak for a Friday close of \$85%. Hewlettness Machines and Sun Microsystems have also been

in Europe when it reported a sharp drop in fourth-quarter earnings last week. A pricing hattle hetween Motorola and its European competitors is driving down profit margins, and Motorola warned that market conditions could affect its earnings for the next few quarters. In the longer term, however, it stands to benefit from a US transition from analogue to digital cellular telephones. Meanwhile, Apple Comput-

its operations, have fuelled er's problems, which surfaced fears that strong earnings are not sustainable in the sector. last month when it announced Jumping to conclusions, that it expects to report a loss some observers have suggested for the crucial December quarthat the semiconductor induster, have cast a shadow over try is expanding capacity too quickly. Plans for about 50 new the personal computer industry and raised doubts about the strength of sales over the critichip plants, each costing about \$1bn, have been announced cal Christmas selling season. Apple's warning has been

echoed in Europe where, owever, most of these despite strong PC sales, most manufacturers, including Ger-many's Escom and Olivetti of plants will not begin production until 1997, and the decline in D-Ram Italy, are losing money. In most cases, however, prices reflects the shift to a there are special reasons for these problems, PC sales are new generation of higher

Moreover, the Internet, a driving force behind last year's technology stock boom, is continuing to flourish. An estimated 40m computer users now have access to the global web of computer networks, which is spawning bundreds of new husinesses selling services online.

ore generally, while the technology stock "gold rush" of 1995 may be over, blg investors can no longer afford to avoid the sector. "The fund managers will be hack. The interesting questions is what will trigger their reinvestment in technology and what will that do to prices," said Mr McNamee. Previous sector corrections,

Sir Bernard Ashley, the cosuch as the 19 per cent fall in founder. Below the main board is an March and April 1994. have executive committee including been followed by rallies to new today's appointments, plus Mr highs. "The fundamentals remain very bullish for this Stephen Cox, company secretary, Ms Basha Cohen, director Deutsche Morgan sector." Grenfell said recently. "The of design and buying, Ms Julie sky truly is the limit."

Ramshaw, recruited last week However, most analysts say the broad brush "buy technol-

lverson **NEWS DIGEST** picks two to complete Ashley team By Neil Buckley

Ms Ann Iverson. cbief

executive of Laura Ashley,

will today make the final two

appointments to her manage-

ment team. completing a six-

month shake-up that has seen

almost all senior positions

replaced at the clothing and

Ms Iverson sees the appoint-ments as the "final pieces of

the jigsaw", completing the team charged with turning

around the performance of the

company, which has made

only losses or indifferent prof-

The company will name as

group marketing director Ms

Patricia Manning, currently

marketing director of Mother-

care, Storehouse's children's

Ms Manning was recruited

to Mothercare by Ms Iverson when the latter was chief exec-

utive there in the early 1990s.

She was previously business

director of children's wear at

Kingfisher's Woolworths, after

13 years in marketing and

strategic planning with Levi

The other appointment

announced today will be of Ms Deborab Baker, currently

human resources director at

the UK division of Signet, the

jeweller, as gronp hnman

resources director. After a reshuffle that bas

seen a series of departures and

appointments in the past few

months, the company will be

left with only seven main

board directors, compared

with 13 hefore Ms fverson's

Three are executives - Ms

lverson, Mr James Walsb,

finance director, and Mr Mike

Overton, director for logistics

and manufacturing. Nnn-exec-

ntives are Lord Hooson, acting

chairman dne to stand down

in the spring. Mr John Thorn-

ton, of Goldman Sachs, Mr

Takuya Okada, chairman of

Jusco of Japan which bas 15

per cent of the company, and

arrival last June.

Strauss, the clothing group.

furnishings group.

its in the 1990s.

wear chain.

Fund managers turn against UK British fund managers have turned against the UK stock

market and plan to raise their stakes in the Pacufic basin. especially Japan, according to a survey carried out by the Gallup polling organisation for Merrill Lynch, the US-based financial services group.

Managers planning to cut their holdings of UK equities outnumbered by 12 per cent those planning to increase their exposure. This is the most negative reading the Merrill survey has given for six years. Most fund managers remain optimistic about the UK equity market for the next three months, but much less so over a 12-month perspective, despite 80 per cent expecting an improvement in the general economic situation. For more than two years, the survey has consistently shown managers eager to increase their holdings in Japanese equities. Japan was the worst performing market for UK institutions last year. yet the bullish sentiment remains stronger than ever.

The S3 institutions questioned, who manage £890bn of funds turned into sellers of European shares this month for the first time in nine months. They remain heavy sellers of US equities, although three-quarters pick the US dollar as their favourite currency over the next 12 months. George Graham, London

New chief for Banque Indosuez

Mr Christian Maurin, head of the Suez group's Solinco consumer credit business, is to take over Banque Indosuez in a two-stage operation that starts today with his nomination by the bank's board as vice-president.

Mr Maurin will not only replace Mr Jean-Francois Le Petit. who is leaving Banque Indosuez after two years as its vice-president, but later this month will become president of the executive board in a new two-tier structure which a shareholders meeting has been called on January 23 to approve. Mr Gérard Mestrallet, overall head of the Suez financial group, will become president of a new supervisory board for the bank.

Mr Maurin's arrival is not expected to signal any change in recent strategy, A communique on Friday said that Mr Mestrallet and Mr Le Petit had mapped out Indosuez's new strategy "in complete convergence of views", but had agreed that this strategy should be carried out by someone new. David Buchan, Paris

Ferfin offer period set

The obligatory offer by Mediobanca, the Milan merchant bank, for 158m shares in Ferruzzi Finanziaria (Ferfin), the Italian holding company, is expected to run from January 25 until March 14. following approval of the offer on Friday by Consob,

4 2

. دا

 $\mathcal{A}^{(1)}$

the stock market watchdog, Mediohance was compelled to launch the public offer hy Consob after accumulating a stake of nearly 10 per cent in Ferfin. The offer, at a price already set at L1,534 per ordinary share, will not apply to shares issued in Ferfin's L953bn (\$606m) rights issue launched last month. Mediobanca's stake will rise to around 15 per cent ou completion of the offer and John Simkins, Milan after the capital increase.

Cerus plans bank closure

Cerus, the French holding company controlled by Mr Carlo De Benedettl, the Italian financler, is to seek shareholder approval this week for the closure of Banque Duménil Leble, bringing an end to its activities in the banking sector. The group said it was buying the assets of the bank for their

net book value of about FFr1.2bu (\$243m), financed through loans from other banks of FFr1bn, which raised its total debt to FFr2bn. It would then liquidate the bank while paying off Its creditors in full. The move was in line with the group's Andrew Jack, Paris stated restructuring strategy.

Second, price competition is in November to close at \$56% expected to benefit the indus- on Friday. Microsoft, the softtry's glants at the expense of second-tier players. Finally, demand for a wide range of products is seen as moderating Packard, International Buslfrom the sometimes explosive growth rates of the last year.

expected to top 80m units this demand or excess production. Nonetheless, semiconductor shares have taken a drubbing. Similarly, Motorola, the world leader in cellular telephones, dragged down the stocks of Nokia and Ericsson

year, up from about 65m units in 1995. Sales of computer networking equipment are growing at an annual rate of about 40 per cent and semiconductor sales are expected to rise by about 30 per cent.

By Richard Tomkins

Maybelline, the US cosmetics

company that last month

agreed to a \$660m cash offer by

L'Oréal of France, has been

thrown back into play follow-

ing a surprise approach from Joh A Benckiser, the German

consumer products group. Maybelline said it had

received an unsolicited letter

from Benckiser offering to buy

it for an unspecified cash price

that would be "materially higher" than the \$36.75-a-share

The US company also revealed that it had received

an earlier offer from Benckiser

offered by L'Oréal.

in New York

ogy" approach that worked in 1995 needs refining - investors on hoth sides of the Atlantic need to take a longer-term view and become more selective if they are to ride the technology wave successfully.

range of household products,

fragrances and cosmetics. Its

portfolio includes mass-market

fragrances such as Coty, sug-

gesting possible synergies with Maybelline's range of mass-

Benckiser said in its letter to

Maybelline that it had more

market cosmetics.

from Morgan Stanley as mer-chandising director, and Ms Carol Rosenfeld, vice-president nf US real estate.

3i to open more offices in Germany

By Richard Gourlay

3i, Europe's largest provider of equity to private companies. is planning to develop a regional network of offices in Germany to take it closer to its potential customer base.

Mr Neil Cross, 3i's international director, said four new offices would be opened in Hamburg, Düsseldorf, Stuttgart and Munich over the next three years. 3i has had an office in Frankfurt for nine years and has invested abont £100m in 50 companies.

Mr Cross said much of 3i's growth in Germany had been through financing bny-onts of family-controlled companies where there was no younger generation to take over.

This type of transaction was on the increase and 3i wanted to be closer to the market in order to take advantage of the growth.

Mr Andrew Ricbards will

The an uncement coincide with the resignation of 3i's joint managing director in Frankfurt, Mr Thomas Schyltter-Henrichsen, who is joining Alpha Group, the French venture capital company, as a

raises complications because Wasserstein Perella, the New take over as the sole managing director in Germany, L'Oreal agrees or if the deal grounds. transfer.

than \$1bn in cash available for the acquisition, and that its offer was therefore not contingent on its ability to raise the necessary finance. It said its offer was more attractive than L'Oréal's because an acquisition by L'Oreal would increase concentration in the US market for mass market cosmetics, so raising

anti-trust issues. Benckiser said there was a significant risk that L'Oréal's offer would not close as planned because of opposition from the US Department of Justice. But its own offer

raised no such issues, and was therefore "more certain to close in a timely fashion". However, the Benckiser offer partner.

York investment house which Based in Ludwigshafen, it owns 28 per cent of Maybelline. came to prominence through a has irrevocably committed its series of cross-border acquisistock to L'Oreal. The committions in the late 1980s, as a ment can only be broken if falls through on anti-trust The group makes a wide

Mr Cross said the first office would be open within 18

months, though it could be sooner. at which time regional teams now in Frankfurt would

Arnotts in profits warning

Arnotts, the Australian food group 67 per cent-owned by Campbell Soup of the US and whose managing director resigned a week ago, has warned that it expects profits to fall in the first half of 1995-96. In a statement to the Australian Stock Exchange, Arnotts said that "due to difficult conditions experienced in the retail sector generally and the food industry in particular over the past six months" it was running below its target of 10 per cent sales growth in 1995-96.

In the first half of 1994-95, Arnotts made a profit after tax and an abnormal charge of A\$36.2m (US\$27m). The charge of A\$17m was largely to cover redundancy costs at the Homebush factory in Sydney. The profit warning comes only days after Mr Paul Bourke, Arnotts' managing director, resigned after four years in the job. He was replaced by Mr Chris Roberts, another senior Arnotts executive. Nikki Tnit, Sudney

Restructuring benefits Babcock

Babcock International, the engineering group, is today expected to signal the first benefits of its three-year restructuring by announcing a raft of international contracts for its materials handling division.

The company , which last September sold 75 per cent of its energy division to Mitsui Engineering & Shiphuilding of Japan, has offset losses in heavy engineering by securing materials handling orders from Brazil, the Philippines, Singapore, China and the US. Babcock is likely to tell investors that it won contracts worth £50m last month alone. Tim Burt. Londor

GiroCredit appoints Lacina

Mr Ferdinand Lacina, Austria's former finance minister, has been named chief executive of GiroCredit, the embattled central clearing organisation for the country's savings banks. Giro, Austria's third-largest bank, has been the subject of a power struggle between its two largest shareholders, Bank Austria and Die Erste österreichische Spar-Casse-Bank, for several years. The struggle has become more intense since Bank Austria raised its atake in Giro to a 56 per cent majority early in 1994. Since then, Bank Austria has combined some Giro operations with its own, notably investment banking and some foreign activities. Ian Rodger, Zurich

Denial by UK PR firm

Financial Dynamics, the City of London public relations firm. has hit out at reports linking it to a Stock Exchange investigation of possible insider trading in the shares of one of its clients. "We are heartily sick of allegations over which we haven't been given the opportunity to clear our name," said Mr Nick Miles, Financial Dynamics' chief executive. He said the firm had not been contacted by any regulatory agency. He added that there was "absolutely no question of anyone at Financial Dynamics passing privileged or inside information". The comments follow reports that the exchange had been examining transcripts of a telephone conversation between Mr Tony Knox, Financial Dynamics' chairman, and a stock market analyst at Robert Fleming, the investment bank. shortly before the publication of disappointing results by Caradon, a Financial Dynamics client. On the same day as this conversation, Fleming's fund management arm sold a block of Caradon shares. The exchange refused to comment on whether it was conducting any investigation and Fleming refused to comment on reports it had asked two employees to resign.

George Graham

Michelin reshuffles management

Michelin, the world's largest tyremaker, has announced a new executive committee to help its three top managers: Mr Francois Michelin, his son Edouard, and Mr René Zingraff. At the same time, the group's management is to be reorganised around a single technology centre, nine product lines, 11 service sectors and four geographic zones in order to be "more reactive and closer to markets and clients". David Bucha

.

Mexico plans return to the US | Maybelline back in dollar global eurobond market | play after rival bid

are keen on high yields is one

thing, but selling dollar paper

another." said one emerging-

However, dealers said pros-

to US institutional investors is

By Conner Middelmann

Mexico plans to return to the US dollar bond market after a three-year absence with a large offering of five-year paper.

lt intends to issue \$750m of global bonds. with Merrill Lynch and J.P. Morgan acting as joint lead underwriters. Mexico will hold an international roadsbow in late January, and the bonds are to be issued shortly after.

After a structured floating-rate note issue last year which was placed predomioantly among banks, this will be the

Although Mexico successmarket debt trader. fully issued DM1.5bn of sevenyear eurobonds in the D-Mark pects for the issue were helped market last week, dealers said by the improvement in the fortbcoming dollar issue Nexico's economic fundamentals since the peso crisis. Furthermore, "the current would be the ultimate test of institutional investors' willingness to invest in Mexican debt market environment is very following last year's peso conducive to selling highdevaluation, which sparked a vielding dollar paper, as wit nessed by the recent rally in heavy sell-off in Mexican debt prices.

country's first fixed-rate inter-

national dollar offering since

March 1993. wheo it issued

\$200m of five-year eurobonds.

Brady Bonds and other emerg-"Issuing D-Mark bonds 10 ing-market instruments," said European retail investors who the trader.

Telmex hit by shareholder concern

The decline responded to

By Daniel Dombey in Mexico City

Shares in Tcléfonos de Mexico. Mexico's telecommunications giant, fell almost 6 per cent on Friday, pushing the IPC index down 2.11 per cent 10 2.934 points, despite indications that the group controlling it plans to increase its holding.

concerns that Grupo Carso, a Mexican holding company with a \$1.4bn, 8.4 per cent controlling stake, was trying to distance itself from Telmex with its announcement of plans to divide into two groups. Telmex, which has had a monopoly on long-distance calls in Mexico since privalisa-

at the time it had agreed to a takeover by L'Oréal, but that Benckiser's offer of \$36 a share tion, faces the onset of competition later this year, and from had fallen short of L'Oréal's. Late on Friday, Maybelline said its directors had decided January 1997 will be obliged to provide rivals with interconnot to take any action In nections to its local network. "It's absurd to say we've lost response to Benckiser's letter because it failed to specify a interest in Telmes. Our participation has increased and will proposed acquisition price. The privately-held Benckiser continue to increase." said Mr Fernando Chico Pardo, chief is one of the world's biggest executive of Grupo Carso. consumer products groups.

	CROSS BORD	ER M&A DEALS	i	
BIDDER/INVESTOR	TARGET	SECTOR	VALUE	COMMENT
CSW (US)	Seeboard (UK)	Power	£1.6bn	DTI OKs
Wisconsin Central Transportation (US)	Trainload Freight (UK)	Rail transport	225m	Rail privatisation continues
Sunlory (Japan)	Hinckley & Schmitt/ Sierra Spring (US)	Soft dnnks	£187m	Génerale das Eaux disposal
Fyttes (Ireland)/ Wibdeco (Windward I)	Unit of Geest (UK)	Food	£147.5m	Fyttes share- holders approve
Kingfisher (UK)	BUT (France)	Relating	£59.3m	New French goal
Adflex Solutions (US)	Unit of Xyralex (UK)	Dectronic components	£36m	Flexible
Electrolux (Swedon)	Relinpar (Brazili)	Electrical goods	£32.2m	Lifting stake to 51%
KLM (N'lands)	Kenya Alrways (Kenya)	Arlines	£16.8m	Stake launches partnership
UCB (Belgium)	Cellophane (UK)	Packaging	£15m	Courtaulds non- core disposal
Matsushita (Japan)	Plasmaco (US)	Electronics	n:a	Flat screen buy



By Vincent Boland in Prague

result of which it operates in

more than 20 countries.

CS First Boston, the investment bank, has won a mandate to advise Czech bank Komercni Banka on a dehut Eurobond issue later this year. CS First Boston beat stiff competition from other western investment banks for the mandate - for what will be the first Eurobond issue from central Europe's emerging markets hy a company that does not have the state as a majority owner. Apart from being the first

Czech bank to launch such an lssue, Komercni will also be only the second Czech company to do so, after the electricity utility CEZ, which raised \$150m in 1994. The size of the bond and its timing have not been decided. Prior to the issue, Komerchi the main commercial bank in the Czech Republic - will seek market an investment grade rating

from western credit rating agencies, in which it will also be advised by CS-FB. The Czech Republic is rated A by Standard & Poor's and

Baa1 by Moody's Investors Service. CEZ is rated BBB- by S&P. Komercni, a bellwether of the Czech economy, is likely to be rated comfortably above the investment grade level. Last year it entered the

international syndicated loan market for \$75m. Two other local banks also entered that

Bankers in Prague say Komercni could start a trend among Czecb banks towards Eurobond issues in 1996 as they continue to diversify their sources of funding





-



ರ ಜನ್ ಸೆಸ್ಟ್ 🚛

A warning last week that the German economy may have contracted in the fourth quarter cou-pled with sharp

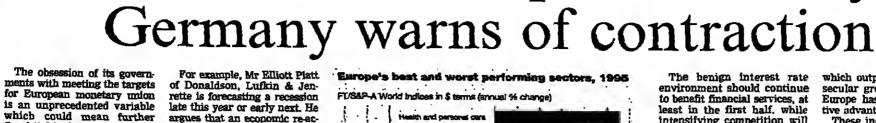
falls in the share prices of several leading continental growth stocks. raises questions about equity asset allocation in Europe this

The benign view of Europe's economic slowdown, and that of Germany in particular, is that it is a mid-cycle pause. Growth will resume this year at a modest, non-inflationary pace.

This scenario would appear to lie behind recent signs of investor rotation into cyclicals from the secular growth sectors which performed best in Europe in 1995 - pharmaceuticals, computer software and telecommunications equip-

High technology growth stocks have fallen particularly out of favour on both sides of the Atlantic, with sharp price corrections across the board since November. And Fidelity Investments, the leading US mutual fund group, has sharply cut its bolding in the sector.

However the benign view of Europe'a progress seems vulnerable on several counts.



which could mean further fiscal tightening, and a further celeration is implausible as US slowdown in growth this fiscal policy is already restric-tive and will become even The view also assumes a more so if a bndget deficit revival of consumer confiaccord is ever reached. dence, which may prove elnsive given high unemployment manager Scudder, Stevens & rates and the restructuring

Clark, is also cantions. She reckons there is a 50 per cent which is hitting many oncecosy continental sectors. Thirdly, it is predicated, in part, on continued progress probability that the next 12 months will mark the end of the US growth cycle, with by the US economic locomo-Japan and Europe easing and deregulating too little, too late tive, producing slow but steady growth and stable inflato sustain growth "once the US stops performing its perennial But can an American reces-

role as the buyer of last sion be far off? The present resort". expansion is already at, or beyond, the average span of It may not work out like this. At the very minimum both Europe and the US seem likely post-war growth periods. More to benefit over the next six pessimistic economists are starting to question its surmonths from monetary easing. as central banks try to prolong

ia: 1990 or pearset year

real insticute inc

Accurat growth rates of

per head, 1960-82

For example, Mr Elliott Platt

'Europe's best and worst performing sectors, 1995

FINANCIAL TIMES

THIS WEEK

Global Investor / Martin Dickson

Threats to the European recovery as

ARKETS

of Donaldson, Lufkin & Jen-FU/S&P-A World Indices in \$ terms (annual % change) rette is forecasting a recession

late this year or early next. He argues that an economic re-ac-Health and personal cars Business services and computer software property/ceausity Bechycal equipment mputer/communication office aquipment Ms Cornelia Small of fund Construction and building materials ion and stored Ming app stry and paper produ Heavy angineering and enip building -20 -10. 0. Source: FT Exter

> the growth cycle. They may ings hoost that the US has enjoyed for the past few Furthermore, continental years. European industry is begin-Still, there are growing doubts about the strength and

ning to restructure. albeit slowly and painfully, and may eventually benefit from the kind of productivity and earn-

least in the first half, while

These include pharmacenti-cals, broadcasting and publish-ing (both of which are also in intensifying competition will tend to segregate the best from the also rans. Falling interest rates may the throes of takeover waves).

The benign interest rate environment should continue

to benefit financial services, at

also give an early boost to cyclicals such as cars, chemicertain electronics and computer software companies, and cals, steel, and household duramobile telephony, notwithbles, but this may not last for long if earnings expectations standing last week's sharp drop in the sbare price of prove over-optimistic. Nokia. Mr Mark Howdle of UBS goes

to be having less of an impact on relative performance than before, and that periods of outperformance by cyclicals may curtail spending on duraand rate sensitives are tending

In a low growth environto be shallower and shortment, where earnings expectalived. tions may be pitched too high, Meanwhile, the main secular the sectors that do well will be growth sectors - technology. those which promise secure media. life sciences - have been achieving steady and sus-tained outperformance.

also see some outperformance by late cycle cyclicals in the transport, utilities and telecommunications equipment sectors, particularty if they have a strong emerging market presence, such as ABB, the

which outperformed last year:

secular growth stocks where Europe has a global competi-

engineering group. Telecommunications ser-vices, which underperformed the market last year, may do a little better since investors are likely to remain focused oo the threats posed by market liber-alisation in 1998, and the buge impending flotation of Deutsche Telekom.

"The market," Mr Howdle says, "is showing signs of increasing sensitivity to rela-

tive prospects beyond the cur-rent cycle."

True or not, this year could

At Home in Emerging

and Capital Markets

ING

TEL. 14 171.863000 FAX 44 131 4636050

19

The implication for country allocation is an overweighting in the D-Mark hloc, where there seems greater scope for interest rate cuts, with a particular focus on Germany, where the benefits of industrial rationalisation should start to show through. Switzerland, with its bigh component of financial service and pharma-ceutical stocks. and the Netherlands should also be overweighted.

However, France, where restructuring has yet to be seriously tackled, still demands an underweighting. as does the UK, given its much greater cyclical maturity.

Richard Mooney



tion.

20

10

This concern about welfare costs is not, of course, confined to the UK. It is central to the budget debate between **Republicans and Democrats in** the US and is also an important worry for the many European countries whose governments are straggling to

control their borrowing. The reality, however, is not a larming as the rhetoric.

e.

Costs of social transfers Social transfers do not slow growth

sfer as a.% of national los

Source: Peter Lindert (1995), from IMF & OECD data

may lie in the rise in wage inequality which has taken place in most industrialised countries.

yet succeed.

As inequality increases, the pivotal middle-class voters on whom election results depend are less likely to look at their poorer fellow citizens and think: "There but for the grace of God go I".

Income redistribution therefore looks to them less like an insurance policy against possible misfortune and more like an uncompensated confiscation of their hard-earned

The political consequences are magnified when, as in the US, many of the poor do not vote. This means that the pivotal voters are found higher up the income scale.

When pivotal voters feel that they are unlikely to bene-fit from social transfers, it is

Brazil hosts coffee meeting

Representatives of coffee producing countries will gather in Varginha, Brazil, today to discuss the stance they should take at next week's meeting of the International Coffee Organisation, which includes consumers as well as producers, in London. Delegates to the Association of Coffee Producing Countries will consider the setting of tighter export curbs in an attempt to arrest the recent sharp decline in world prices, the lvory Coast government

said last week.

est rally last week but are still about 46 per cent below last year's highs. Apart from possibly lower export limits the ACPC meet-ing could also decide "to strengthen control measures on the flow of quarterly exports with controls managed by a first class international anditor", the lvorian government statement said. It added that the talks were

Futures values staged a mod-

called on the advice of lvorian commodities minister, Mr Guy Alain Gauze, who is the

ACPC's first vice-president and the spokesman for African coffee producers. Among the other partici-

pants in Varginha will be Mr Jose Eduardo de Andrade Vieira, the Brazilian agriculture minister, Mr Gilson Ximines Abreu, president of Bra-zil's National Coffee Council, and Mr Jorge Cardenas, head of the Colombian Coffee Federation. • Other events this week

include a new round of negotiations between South Africa's

and Russia about the world diamond market. The talks begin in Moscow today and could last all week, a De Beers official told the Reuters news agency.

Russia has been unhappy with the South African compa-ny's management of its world diamond sales, through its Central Selling Organisation, but market analysts are optimistic about the outcome of this week's talks. "If you look at the share price, it is pretty clear the market takes a posi-De Beers Consolidated Mines tive view," one told Reuters.

· · · · ·

nature of any recovery in Europe and this has implicaearnings growth. They may tions for sector selection. include many of the sectors COMMODITIES

Basic industries, including chemicals and paper, may find it much harder to raise prices so far as to argue that in the 1990s the business cycle seems at this point in the cycle than they did early in 1995, while subdued consumer confidence

Ever since the inception of the welfare state people have objected to the resources which it absorbs and the side effects it produces. Their voices are louder now than in the nast but this may have less to do with changing eco-nomic realities than with a shifting centre of gravity in political debate.

One can, of course, object to the welfare state on principle. Strict libertarians would contend that redistributing income via taxation and social transfers involves an indefensible confiscation and re-allocation of private property, as does tax-financed government spending on health and education.

However present concerns about welfare focus more on its supposed economic effects. Social spending, it is argued, involves "deadweight costs". Money is wasted on administries tration and, more fundamentally, income redistribution discourages work effort among both the taxed and the subsidised. If this is true, then bigh

formance.

exchange rate target and the Mr Peter Lindert, at the University of California (Davis), collapse of highly coordinated wage bargaining than it did with rampant welfare costs. has assessed this theory by looking at social spending So why might the deadsince 1962 by the industriaweight costs predicted by ecolised countries in the Organisation for Economic Cooperanomic theory appear insignificant when comparing national tion and Development. He finds no evidence that econogrowth rates? First, there is evidence that mies with big social transfer countries which spend a lot on social transfers also tend to programmes grow more slowly than their low-spend-ing rivals*. have relatively efficient tax Mr Lindert also finds that regimes. They raise less from the shares of national income direct taxes on income and which government devote to capital gains - which have serious disincentive effects -and more from relatively social transfers have been diverging, at least until the fiscal crises of the early 1990s. innocuous commodity taxes, like value added tax. In 1991 If social transfers clearly impeded growth, one would expect spending in different countries to have been converging to a low level. Instead,

high transfer countries are raisingwelfare spending by more than low transfer coun-But what about anecdotal evidence? Sweden, for exam-

ple, was hailed as the model social democratic state in the 1980s, but found itself in crisis by the early 1990s. However. social spending should damthis probably had more to do age a country's economic perwith an unrealistic tough

high tranfer governments raised 6 per cent of national income more from commodity taxes, but 3 per cent less from direct taxes, than low transfer governments. Second, governments spending a lot on transfers tend to economise in other areas, such as defence and industrial subsidies But if social transfer spend-

hardly surprising that scare stories abont costs abound. Hence the shameful demonising of single parents and the recent assertion by an editorialist on US National Public Radio that the government there bad reached a "grotesque size". In fact many components of

US welfare spending are sta-ble or shrinking relative to the economy, with only health care posing a serious problem. The emergence of large budget deficits has enforced welcome fiscal discipline in many countries. It is certainly true that governments cannot afford forever to spend money on welfare which they are not prepared to recoup from taxes, a lesson which it is all the more important to learn when ageing populations have to be paid for.

But it does not follow that spending on social transfers is in itself necessarily economically damaging and that it should therefore be singled out for budget cuts.

*What limits social spending? ing does little harm, why is political debate in so many by Peter Lindert, Explorations in Beonomic History, January countries obsessed with the need to shrink it? The answer 1996

FT/S&P ACTUARIES WORLD INDICES

The FT/SSP Actuaries Word indices are owned by The Financial Times Ltd., Goldman, Sache & Co. and Standard & Poorts. The Indices are compiled by The Financial Times and Goldman Sachs in consultion with the institute of Actuaries and the Faculty of Actuaries. NatWest Securities Ltd. was a co-founder of the Indices.

NATIONAL AND REGIONAL MARKETS			FRID	AY JANU	ARY 12 -					HURSDAY	JANKIAF	IY 11 195		001	LAR N	
Figures in parentheses	US	%chg	Pound			Local	Local %	Gross	US	Pound			Local			Year
show number of lines	Dollar	since	Sterling	Yen	DM		chg trom	Div.		Sterling	Yan	Index	index	52 week		600
of stock	ndex	29/12/95	Index	Index.	Index	Index	29/12/95	Yield	Index		-	1000	Incode	High	Low	(apprex)
No. of Concession, Name of	107 43	1.3	184.38	127.81	144.13	171.49		3,90	193.60		127.99	144.53			157.95	
Austrolia (61)	185 14	6.1	177.40	122.97	138.67			1.51	184.10		121.77	137.61			167.48	
Austna (.26)	214 09		205.02	142.17	160.31	156.30	3.0	3.35	213.64	205.05	141.23	159,60	155.68	215.22	155.86	
Bokriusm (34)	157 50		148.31	101.42	114.38	273.38	10.8	1.61	149.57	143.58	96.88	111.74	267.80	160.23	86.06	143.22
Brazil (28)	152.00	0.7	143.22	99.28	111.95			2.53	149.76	143,74	98.00	111.88	148.15	153.19	121.81	128.73
Canada (101)			285.73	198.79	224.13			1.44	297.38	285.41	196.58	222.15	224.84	299.24	246.19	253.77
Denmark (33)			174.13	120.71	156.12			1.91	175.94		118.31	131.44	180.72		171.13	192.27
Finland (C4)			-	120.91	136.34			3.00	181.05		118.70	135.27	140.11	181.17	157.79	162.10
France (99)		1.0	174.42	112.58	126.95			1.68	168.03		111.06	125.53			139.77	
Carrow (60	108.40		162.40	272.10	306.83		5.7	3.52	405.05		267.78	302.61	402.14		277.40	
Hong Keng (59)	408.00	2.1	392.53		196.18			3.32	257.48		170.22	192.36			201.87	
keinnd (16)		e	250.97	173.97	54.85			1.70	73.32		48.47	54.78			65.45	
Roly 1591		- Wet	70.17	48.64				0.75	154.62		102.22	115.57	102.22		136.95	
Income (1971)			146.70	101.00	114 67				S13.98		339.79	383.98	505.96		396.15	
Malaysia (108)		7.3	498.79	345.76	389.69			1.62	1164.54		769.87				847.81	1109.28
Менсо (16)	1145.81	10.8	1097.91	791.07	858.21			1.49				870.00				
Nothedand (19)	277.89	1.9	266.27	184.58	208.14	204.72		3.19	276.53	265,42	182.81	206.59	203.12		215.55	
Now Zealand (14)	78.82	-1.0	75,53	52.38	59.04			4.59	79.21	78.03	52.37	59.18	63.94	85.49	71.01	72.08
New Zearanter (14)	237.93	2.9	227.98	158.04	178.21	204.88		2.05	238.12		159.08	178.64	205.31	243.79	202.76	
Norway (33)	429.34	5.4	411.39	285.18	321.58			1.43	423.06		279.68	318.05			313.84	
Singapore (44)	171.74	9.4	404.10	260.13	315,88			3.53	416.86		275.69	311.43			281.06	
South Amon (45)	167 55	1.4	160.54	111.29	125.48	153.79		3.99	166.75		110.24	124.58	152,70		124.10	
Cross (27)			298.86	207.17	233.62	304.38	-0.6	1.87	310.92	298,43	205.55	232.28	302.63		2223	235.15
Outsides (17)	- HO 1984		224,45	155.59	175.45	168.57	0.1	1.58	233.94	224,54	154.66	174,77	168.02	239.55	162.35	166.46
Sustandard (40)			176.86	122.61	138.26		10.1	2.25	162.35	175.02	120.55	136.23	178.68	184.50	130.15	139.80
Theatment (40)			218.35	151.36	170.68			4.25	227.28	278.1S	150.25	169,79	218.15	232.23	191.53	185,41
United to extend (206) and			234.88	162.82	183.60			2.30	245.40	235.54	162.24	183.34	245.40		158.85	188.88
USA (C34)	245.13	-24	234.00	106.44								_				_
	224 11	-2.1	214.74	146.85	167.88			2.30	224.35	215.34	148.32	167.81	188.55		174.18	174.18
Amoncas (7811	NAI 97		193.39	134,06	151.17	171.46		3.06	201.00		132.88	150.16			167.26	
Example (CO)			265.69	184,18	207.69			1.88	275.48	264.41	182,12	205.80	232.62		22.22	227.98
Advanter (1997)			156.10	109.60	123.58	112.93		1.18	165.12	159.45	109,82	124.10	113.25	171.87	145.93	160.30
Design Date (Children and Children and Child			172.70	119.72	135.00	155,10	1.2	2.06	180.55	173.29	119.36	134.88	135,10	183.39	154.73	163.37
Trees Deafer (1567)	The second se		229.18	158.67	179.15			2.31	238.46	229.84	158.31	173.90	238.83	248.93	185.03	185.03
Marth America 1351	**************************************		175.32	121.53	137.04	145.25		2,41	182.07	174.78	120.37	138.02	144.27	184.91	149.99	150.51
Francisco Ext. UK (527)	106-01		265.30	183.91	207.38		4.8	3.02	275.01	253.98	181.81	205.45	242.45		211.15	221.06
Dec.A. C. Joom (352)		4.7		120.72	136.12			2.10	181.99	174.68	120.31	135.96	139.18	184.71	155.42	163.90
115 (1759)			174.14		148.43	165.01	-0.1	1.87	198.50	190.52	131.23	148.29	185.02	202.03	163.45	168.96
Maximum Provide (7185) and and			189.85	131.63	170.56			2.63	227.38	218.25	150.32	169.87	212.77	232.30	191.50	181.93
World Ex. Japan (1911)		-0.6	218.19	1S1_25	170.00								_			_
WORD EX. Output The	200 79	-01	192.39	133.37	150.39	169.78	-02	2,18	201.04	192.98	132.91	150.18	168.77	204.65	155.9Z	171.11

The World Index (2393) 200.79 -0.7 192.39

· · · •

12. ζe

Based in Croatia, PLIVA is one of the largest pharmaceutical companies in Central and Eastern Europe. From its origins 75 years ago, PLIVA now researches, produces, patents and marketa products for human and animal health, food and cosmetic uses. It has registered approximately 400 patants in countries all over the world, by far the most important being azithromycin, a braad spectrum antibiotic which has been successfully launched on the glabal market through a licenaing agreement with a major U.S. company, PLIVA has also devaloped strong links with many other leading multinational pharmaceutical companies to sell their products in its core markets and to increase exports. (In 1994, exports accounted for more than 40% of PLIVA's total salea.)

Far further information about PLIVA and its products, simply contact us at the address below.



PLIVA d.d. Ulica grada Vukovara 49 10000 Zagrab Croatia. Phone +385 1/6120999 Fax +385 1/6111011. THIS ADVERTISEMENT WATCH HAS BEEN PREPARED AND ISSUED BY PLIVE D.D. HAS BEEN APPROVED BY UBS LIMITED. WHICH IS REGULATED BY THE STA FOR THE PURPOSES OF BECTION ST OF THE FINANCIAL SERVICES ACT. 1986.

EMERGING MARKETS

FT CORRESPONDENTS LOOK BACK AT HOW EASTERN EUROPEAN BOURSES FARED IN 1995 AND CONSIDER EXPECTATIONS FOR 1996

Investors in Russia look for political stability

is riding high and their leader

become president.

intentions became clear.

cent rise in GDP.

By John Thomhill in Moscow

20

It is impossible to predict what will happen tomorrow in Russia - and even what happened yesterday is subject to dispute. As one nineteenth century aristocrat famously observed:

"God decrees the future but the Tsar can remake the past." Such thoughts must daunt any investor attempting to peer into the future to assess

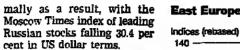
the potential for the development of capitalism in Russia. Will future chroniclers record that the eye-catching explosion of Russia's infant capital markets in 1994 was the beginning of one of the great-

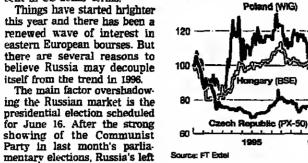
est investment surges of the 21st century, or will they, like Mr George Soros, dismiss it as one of the "weirdest stock market booms in history"?

Russia's fledgling stock market, with a total value of just \$16bn, appears to be swayed almost entirely by the whims of foreign investors who are themselves the victims of emerging markets fashion. Last year, there was a high correlation hetween the perfor-mance of the Russian, Thai and Mexican stock markets, no matter how absurd that may seem, Investors were transfixed with the rise of Wall Street and unprepared to look much further afield.

The market performed dis-

CURRENCY MARKETS





Mr Gennady Zyuganov, could sian government extending a three-year \$9bn loan. That Mr Zyuganov has been keen would allow the government to reassure foreign investors access to international capital markets, driving down the stratospheric yields on its Treasury-bills. That might that the communists do not want to turn the clock back. Nevertheless, a communist victory would be bound to underencourage Russian banks to mine the equity market - at take more interest in returns least until Mr Zyuganov's available in the equity market. Improvements in the infra-Despite such political uncerstructure of the stock market tainties, some analysts argue should also increase the num-

ber of US investors. now is the time to buy Russian stocks while prices are low. On "1995 was the watershed year technical grounds alone, 1996 for Russia's economy and 1996 could certainly be a good year. will mark the political water-The economy may register its shed," says one western fund manager. "If we get through first growth this decade. The June okay and a moderate president is elected, then OECD is forecasting a 2 per The IMF appears to be close money should flood into Russia in the second half." to an agreement with the Rus-



The Budapest Stock Exchange which showed a modest gain of just 4 per cent last year, had a roaring start to the new year a surge in foreign interest helped the BUX index to a 10 per cent rise in the first week of January. The BUX closed on Friday at 1,696, up from 1,690 on January 5 and from 1,529

at the end of last year. Brokers are confident 1996 will be a better year for the exchange than 1995. Investor confidence has been restored following a spate of large-scale privatisation deals fate last

year, the basis of an agreement with the IMF, a much-improved set of macro-economic indicators and the convertibility of the forint from January 1.

However, there remains a foreign exchange risk. The forint was devalued by some 28 per cent in 1995 and is likely to be devalued by a further 15 per cent this year. One of this year's highlights

will be the expected sale of a further tranche of Mol. the oil and gas company. Although there are relatively few large state companies left to sell, the BSE hopes to make up for the shortage of domestic stocks by allowing foreign companies to list, a move planned for the first half of this year.

Czech Republic waits for election

By Vincent Boland In Prague

quarter, continues. After a three-week holiday break and a move to new premises, the Prague stock market reopened with a bang at the start of last week. in two days of trading to Tuesday the market's main PX50 index rose by more than 5 per cent in 8 post-Christmas rush to buy shares in high-capitalisation stocks. Although 1995 was a poor year for equities, it ended on a positive note as more foreign investors returned to a market that was once the darling of western institutions. Analysts are confident that 1996 should see a better performance if the trend towards consolidation

prime minister Mr Vaclav Klaus, is poised to remain in office, but there are likely to be jitters ahead of the vote. The imminence of the election means there will be no

large privatisation issues. which will have a positive impact on the market's liquid ity. And analysts suggest that any jitters should be seen as a buying opportunity ahead of any surge in share prices. Another key issne will be legislation on protection of

minority shareholder rights. A and takeovers, seen in the final package of rules, including disclosure rules for takeovers, is The most important factor in being proposed by Mr Tomas the first half of 1996 will be the Jezek, one of the architects of general election in June. The mass privatisation who is conservative coalition, led by tipped as a future chairman of the Prague stock exchange. These changes are widely

anticipated, but Mr Jezek has still to secure support for their passage through parliament. Given the clamour that has built up in favour of new rules, investors could even be disap-pointed hy Mr Jezek's amendments. Nevertheless, there is a consensus in favour of change, which should add to the comfort level of investors.

could also see an easing of restrictions on foreign purchases of shares in the leading Czech banks.

Anaylsts remain cautious about quantifying the market's performance, however, given the importance of sentiment and asset allocation factors.

Mr Alex Angell of Wood & Co. a Prague stockbroker, warns that it is not yet clear to what extent central European markets will benefit from capital flows. But, "if earnings growth can be sustained, there is helpful legislation (on minority protection] and there are no surprises in the election, share prices should rise by between 5 and 20 per cent" this year.

The post-election period

Active new year for Polish market

By Christopher Bohinski n Warsaw

Analysts are detecting the hand of the foreign investor to explain the 15.5 per cent rise in the stock exchange's Wig index since the new year. "There is certainly greater activity in the whole region by investors from abroad." says Mr Roger Monsoon of Daiwa Europe, commenting on the growth. One local mutual fund man-

ager agrees, adding that even though the recent 2 per cent cut in the central bank's key

Last week, as the Wig rose. take off. "People ahroad have earmarked emerging mardaily turnover still averaged only 120m zlotys. kets as an area of activity for Following the presidential defeat of Mr Lech Walesa and 1996 - and some of that has come into Poland."

the return to power of the for-Mr Leslaw Paga, the former head of the Securities Commismer communists, investors sion and now head of Deloitte hesitated about jumping in. "Now people appear to have decided it is alright to spend and Touche in Warsaw, notes that it does not take much capand are coming back." says Mr ital to make a splash. Now capitalised at \$5bn and trading 53 Stan Szczurek, head of ING's

12/1/96

155.75

96.60

201.18 194.82

165.11

81.34

1,074.34

Europe (96)

China (24)

Koree (23)

Indonesia (32)

Asia

stocks on the principal floor operations in Poland. In contrast to markets like the stock exchange was seeing

nothing else has changed at daily turnovers as low as 40m Russia. Poland is well regu-home to explain the new year zlotys (\$16m) late last year. lated and transparent. Also, the companies quoted on the hourse are reporting profits and operating in an economy which is set to grow by 5.5 per

cent this year. However, the rally could well be running out of steam as small, local investors jump in to sell and recoup some of last year's losses. "The market will stay volatile until strong local financial institutions like pension funds appear," says Mr Paga



Economic slowdown in Germany and the US, political developments in Italy and the UK and a possible interest rate cut in France are likely to be the issues dominating foreign exchange markets this week.

The first US economic data for several weeks will be published after being suspended due to the protracted budget negotiations.

With no US data to focus on in recent sessions, traders have instead turned to German figures which have shown the sharp downturn there.

The D-Mark has suffered as a result while high-yielding currencies such as the Spanish peseta have benefited. The dollar - and US bonds which the currency has tended to follow has remained placid.

But the data this week may meets on Thursday but anaat last push the dollar out of lysts anticipate no change in its current ranges. Most impor-German interest rates. Howtant could be payroll figures, ever, the Bank of France is which, if weak, could cause the expected to cut interest rates currency to weaken. when it meets on Thursday. Negotiations between Republicans and the White House

In the UK, division within the ruling Conservative party and the government's thin parover the disputed budget are expected to resume this week liamentary majority is likely to

but no resolution is expected. test investors confidence in The Italian lira will be a sterling - although the pound has so far remained stable. focus of attention after Mr Lamherto Dini, the Italian The governor of the Bank of prime minister, resigned last England and the chancellor meet on Wednesday to discuss policy. Economists think there The Bundesbank council is a reasonable chance of an interest rate cut this month or next month. Figures on Thursday are expected to show that inflation remains low.

Finance ministers and central bank governors from the Group of Seven leading industrialised nations meet in Paris at the weekend.

lombard rate has stirred local ING Baring Securities Emerging Markets Indices investors to greater activity, Inde Graham Bowley World (396) Latin America Argentina (22) Brazil (23) Chile (16) Peseta Against the D-Mark (Pta per DM) Colombia (14) 115 -Mexico (23) Peru(15) Latin America (113) ..130,79 120 -Europe Greece (18 Portugal (20) Turkev (26) South Africa (32)

105		X\	W
125		1-4	
130 1	1		-
135	7		
140 -			
145	1		1
1994		95	9
Source: FT Extel			

Malaysia (24) Pakistan (14) Phillippines (14) 72.06 275.75 +0.69 +1.87 270.96 125.56 +0.82 Thailand (25 Taiwari (31) Asia (187) . 210.36 +2.86

All indices in 5 terms, Jenuary 7th 1982-100, Source: ING Baring Security

Year to date Actual nth on month Week on wee Percent Actual Percen Actual +0.90 +11.55 +8.01 +8.19+1.39+13.47+18.18 4.02 -0.09 -1.01 -1.86 +0.48 +15.06 -0.85 -0.18 +8,15 +3,51 +15.18 +8.60 +0.86 +7.74 +5.39 +7.65 +3.89 +16,33 -3.12 +8.18 +0.39+12.60-4.80 +84.92 +12.92 +8.58 54.20 +3.93 +7.69 +3.76 +1.88 +2.41 +10.49 +11.79 +10.15 +11.66

-1.20 +1.35 +5.92 +13,42 +13.59 +10.25 99.32 +1.84122,38 +2.88 +9,14 +7.51 +7.63 166.96 +5.08 +3.14 131.79 +4.37+3.43+9.35 +6.28 +9.93 -4.85 +10.49 -1.54 +18.58 +19.06 -5.36 +7.31 -1.22 +3.25 +0.86 +4.82 +8.53 -12.79 +11.5346,60 -0.57 +6.86 -8.83 +6.26 +5.68 +13.53 148,57 132,05 237,85 +4.67 +1.12 +2.12 +0.90 +0.97 +1.42 +0.30 +3.21 +14.01 +3.87

+23.26 +1.84 +10.57

+9.39 +1.49 +5.29

+1.38

Percent

+5,55

+4.33

+8.10

-0.43 +0.52

+10.52

+0.50

+1,38

+5.09

+16.21

+8.86 +8.44

+15.56

+7.16

+4.61

+6.40 +7.57 -4.02

+3.60

Bankin,

2 8. :

941. ĥ.,

PT : PINAN

IT IN BANKIN

70810

، النب ال^{مع}نوني فريد الم

Furting of Lot.

in pros

4th Annual Emerging Markets Funds Conference

30 & 31 JANUARY 1996 HOTEL INTER-CONTINENTAL, LONDON W1 Sponsors: Standard Chartered Equitor & The Chase Manhattan Bank NA Organisers: International Money Marketing & Cadogan International Conferences

with over 40 expert speakers from

Baring Securities I International Finance Corporation Standard Chartered Bank II Batterymarch Financial Management E Crosby Securities E Latinvost Securities E Banco Garantia Allance Capital (Turkey) E Eczacibasi Securities E Barciays Global Securities E TriStar International Marc Faber Limited Kleiman International Chase Global Securities Pensioenfonds PGGM Baring Asset Management B HSBC Midland Pioneer First Polish Trust Robert Fleming Securities Salomon Brothers Merrill Lynch International Standard Bank Brunswick Adamant Financial Corporation Central Europe Trust Company William Knight Associates Martin Currie Investment Management Mishith Desal BZW Investment Management

covering
South East Asia, China, Latin America, India, Russia, Eastern Europe, Southern Africa Middle East and Eastern Mediterranean

Contact Lindy Bird on Tel +44 (0)171 336 8710 Fax +44 (0)171 336 8703

4th Annual Emerging Markets Funds Conference

Please send me further details	Please book place(0) @ 2750 + VAT per delegate
Name	Company
Address	
Telephone	Facsinile

THEN	S STOCK EXCHANGE Jan 51h - Jan 12	<u> </u>	GREEC
	SIGMA SECURITIES S.A · MEMBER OF TI TEL. (301) 3311456 · 3245674 FAX (301) 325224 · TELEX 210733 ATRA GR Contact Name Mr John Marcopoulos Ms Adma Desc	REUTERS PAGES' ATGG-H-I TELERATE PAGES: 17890-1-2	

				GDP (USO bn - 95e	108.82
ASE INDEX	9:9-6	P-E 95e (after tay)	12.8	Per Capita Income (USD)	10,604
Chg (Prev WA)	1.51	PE 94 (alter tar)	16.2	Initiation Rate (, YOY, December 95)	6.10
Voarly High	995 75	EPS GROWTH (* + 95-	321	12 Month T-toll (*; end of December issue)	14.20
Yearh Low	82.22	P CE 95-594	78 IQC	T-Menth Athlatet (*«)	14.48
WEEKLY VOLUME (USO m)	140.26	P BV 950-94	28.35	GRD-USS	236 98
· Cho (Prev. Wk)	48.78	Ov. Yorkin's) 95e 94	49 44	A S E Market Capitalisation - 121 96 (USD b	17 12
1 V Wk Avg. (USOm)	116 84			IPOs & Rights Issues (USD m Jan 96-29 Doc 195	

		E STG	US S	D-MARK	YEN (X 100)			E STG	US \$	D-MARK	(X 190)		c are	US 5	D-MARK	YEN (X 100)
Alghanistan	(Alghani)	7349.20	4750.00	3297.01	4520.37	Greace	(Drachme)	365.785	236,425	154.104	224.995	Pakistan (Pak. Rupon)	62,9370	34.2158	23.7494	32,5617
Albania	(Lol)	145.205	93.8500	65.1420	89.3129	Greenland	(Daniah Krone)	8.6192	5.5710	3,9669	6.3017	Parame (Belboa)	1.6472	1 0000	0.0941	0.9517
lgenta	Other	81.6324	52,7614	38.6221 3.4255	50.2107	Grenadal Guadaloupe	E Carts S	4.1775	2,7000	1.8741	2,6085	Papus New Guines -(Kina) Personal (Guarand	2.0712	1,3367	0.9292	1,2740
Indoma	(French Fr) (So Peesta)	7.6361	4.9356	84.1015	4,6970	Guttin	(Local Fr) (US S)	7,6361	4.8356	0.6941	0.9517	Paraguay (Guarand Poru (New Sol)	3.6413	2.3535	1352.19	1867 82
Angola	(Kwanza)	8806.66	5892.00	3650.86	5416.83	Guatomala	Custras	9.3859	6.0664	4.2107	5,7731	Philippings (Pasc)	40.5973	26.2400	16,2134	24,9715
ndgua	E Carb S	4,1775	2.7000	1.8741	2,5695	GLIMON	(Fr)	1542.58	997,000	692.025	948,801	Phappings (Peed) Phaaim is (C Stering)	1	0.6463	0 4486	0.6157
rgentina	Pesot	1.5463	0.9995	0 6938	0.9512	Guines-Eles		27906.3	18036.0	12518.9	17164.1	(NZ SP	2.3370	1.5100	1.0487	1.4378
Armonia	Dramt	621.9140	402,000	279.031	382,506	Garyana	(Guyances \$)	215.834	139,500	96.8279	132,756	Polanci (Zloty)	3.6562	2.4938	1.7310	2.3732
Aruba	(Fionn)	2,7695	1,7900	1.2425	1.7035							Portugal (Encudo)	231,253	149.470	103,748	142.244
Australia	(Aus S)	2.0731	1.3400	0.9301	1,2752	-test	(Courde)	29,3968	19.0000	13.1880	18.0615	Puerto Filco (US S)	7.5472	1	0.6941	0.9517
Austria	(Schilling)	15.6746	10.1313	7.0322	9 6415	Hondunas	(Lempira)	15.6113	10.0900	7.0035	9.0022					
Con Dellan	(Manual)	6669.570	4440.00	3081.84	4225.35	Hong Kong	AHK S	11.9629	7.7322	5.9970	7.9684	Outer (Flyst)	5.6335	3.6411	2.5273	3.4651
Azonas	(Port Escudo)	231,253	149 470	103.746	142,244	Hungary	(Forint)	211.782	136.885	95.0128	130.267	Rounion Is, de la (F/Fr)	7.6361	4.9356	3.4258	4.6970
ana	(Behame S)	1.5472		0.6941	0.9517	iceland (icelandic Krona)	101,450	65.5700	45.5126	62,4001	Romenia (Levi) Russia (Rouble)	4254.80	2750.00	1908.79	2617.05
	(Dinar)	0.5633	0.3770	0.2617	0.3568	india	(Indian Rupse)	55.2720	36.7250	24.7970	33,9979	Russia (Rouble)	0.9887o 7233.93m	0.6390	0,4435	0.0081
Salacario in	(So People)	187,461	121.165	84,1015	115.307	Indonesia	Pupleh	3646.07	2292.00	1590.89	2181.20	Revande (Fr)	340.384	4675.50 220.000	3245.30	4449,47
langladesh	(Taka)	62.6596	40.5000	28.1113	36.5421	inan .	07090	4641.60u	3000.00	2082.32	2854.87	(i)	240.204	220.000	152,704	209.364
Derbodos	(Barb S)	3,1119	2 0113	1,3961	1.9141	icad.	(mol Direct	0.48100	0.3109	0.2158	0.2959	St Christopher (E Carlo 5)	4,1775	2.7000	1.5741	2.5896
Belarus	Rouble	20887.20	13500.0	9370.44	12847.4	iraq.	(real Direct	4485.88m	2900.00	2012.91	2758.00	St Helena (E)		0.6463	0.4486	0.6151
Belgium	(Beig Fr)	45 B135	29.8115	20,5536	28.1500	Intelh Rep	Punt	0.8999	0.6250	0.4336	0.5647	St Lucle (E Carlo 5)	4.1776	2,7000	1.8741	2,5695
lakze	ib 19	3.0944	2.0000	1,3882	1.9033	in the second	Shekal	4.8268	3.1190	2,1653	2.9690	St Plane (French Fr)	7.6361	4.9358	3.4256	4.0870
Berlin	(CFA Fr)	763.610	493.560	342.554	469.699	Italy	(Lina)	2434,52	1573.55	1082.21	1497.40	St Vincent (E Carlo 5)	4 1775	2,7000	1.8741	2.5095
Bermuda	(Bernudan S)	1.5472	1	0.0941	0.9517							San Merino (Relien Line)	2434.52	1573.55	1092.21	1497.48
Bhutan	(Nguitrum)	55.2720	35.7250	24,7970	33.9979	Jamasca	(Jampicon 5)	57.2464	37.0000	25.6820	35.2113	Sac Tome (Dobra)	2718.28	1756.90	1219.48	1671.96
Balivia	Bolvience	7.6564	4.3500	3.4358	4.7107	Jepen	(Yers)	162.575	105.080	72.8368	100	Saudi Arabia (Filyal)	5.8023	3.7508	2.6031	3.9890
Botswone	(Pulat)	4.3340	2.8011	1,9443	2.0057	Jordan k	Jordanian Dinari	1.0969	0.7090	0.4927	0.8747	Senegal (CFA Fr)	763.610	493.560	342.584	469.699
Britel	(Peal)	1.5049	0.8727	0.6752	0.9257							Soychelles (Ruppet)	7.5620	4.8575	3.3925	4.6512
Brunel Bulgaria	(Grunel S) (Lev)	2.2016 112.249	1,4230	0.9877	1.3542	Keznichsten	(Kenya Shilling)	99.7490 86.7206	64.4700 59.0600	44.7491 35.9047	61.3633 53.3403	Siema Loone (Leone)	1407.95	910.000	631.637	866.007
Burkino Faso	ICEA Fri	763.610	493.560	342.584	465.699	Keriya	Australian 5	2,0731	1.3400	0.9301	1.2752	Singepore (S) Siovekia (Koruna)	2.2018	1.4230	0.9677	1.3542
Sumet	(Kyak)	6.9007	5,7528	3,9931	5.4747	Kores North	(Won)	3.3265	2,1500	1.4823	2.0461	Slovena (Totar)	46.0184 199.557	29,7430	20.8448	28.3061
urundi	(Burundi Fri	387 073	256.640	178.136	244.233	Kores South	(Non3	1223.10	790.650	548.728	752 332	Solomon is (1001)	5.3281		89.5257	122.744
						Kuwak	Novemb Direct	0.4932	0.2994	0.2078	0.2545	Somali Rep (Shilling)	4053.66	3,4424	2.3094	3.2760
Cambooke	(Fiel)	3558.56	2300.00	1598.45	2168.81							Bouth Africa (Rand)	5.6204	3.6327	2.5216	3.4571
ameroon	(CFA FH)	763.610	493.560	342.584	489 899	600	(New Kip)	1423.42	820.000	636.579	875.623	Spain Penetal	787.461	121.105	64.1015	115.307
Canoda	(Ganadian S)	2.1073	1.3521	0.9454	1.2963	Latvia	(Lated)	0.8375	9.5413	0.3767	0.5151	Spanish Forts in N Abrica				
anary is	(Sp Pecebu)	107,461	121,185	84,1015	175.307	Lebanon	(Labarrese E)	2466.16	1594.00	1105.41	1516.94	(Sp Peeeta)	107.461	121.165	84,1015	115.307
p. Verda avman 1s	(CV Escudo) (CI S)	128.371	82.97700 D.8782	57,5901	78.8589	Legatha Liberts	(Makut) C. Conten Si	5.8204	3.6327	2.6215	3.4571					
Cent. Afr. Rep	CFA Fr	753.610	493,560	342.584	489.699	Libya	(Libvan Diner)	0.5500	0.3555	0.2485	0.9617	Sri Lanks (Rupee)	83.2367	53.8000	37.3430	51.1991
had had	CFA Fri	763 610	493.560	342.584	468.699	Linchtenerein	(Swets Fr)	1.7950	1,1606	0.2485	0.3363	Sutim Rep (Dinar) Sutinam (Guider)	127.644	82 5000	57,2655	78.5110
2hilo	Chilson Pesci	627 292	405 450	281.426	385.849	Listerania	(Line)	8.1868	4.0000	2.7764	3,8005		649.824	420.000	291.525	389.896
hina	(Yuan)	12,8729	8.3204	5,7752	7.9182	Luxembourg	Guar Fra	45.8135	29.6115	20.5536	28,1800	Sweden (Linngen) Sweden (Krona)	5.6204	3.6327	2.5215	3.4571
Colombia	(Col Peec)	1557.75	1006.85	666.862	958.175						2 12 10 00	Setzenend (Fr)	1.7950	6.5921	4.5758	8.2734
Compros	(Fr)	574.100	371.063	257.567	353.124	Macao	(Pataca)	12.3609	7.9892	5.5454	7.6030	Syria (C)	64.8277	41.9000	0.8057	1,1047
Cango	CFA Fr	763.610	493.560	342.584	489.899	Macedonia	(Dener)	60.8056	39,3004	27.2767	37,4005	Talwan da	42,3506	27.3745	29.0631	21.0571
Costa Pieg Cóla d'Ivers	ICFA Fr	296.691 763.910	191.780	133.102	182,490	Modegascar	(MG Fr)	6335.78	4095.00	2642.37	3867.03	Tanzania (Shiling)	842.450	544.500	377.941	518,177
Croalia	(Kunst	8,2515	5.3409	342.584	469 699 5.0627	Madera Makilen	(Port Escude)	231.253	149.470	103.749	142.244	Trailand (Baht)	39.1042	25.2750	17,5438	24.0531
Cube	(Cuban Peso)	1.5472	1	0.6941	0.9517	Maleysia		3.9546	2.5625	10.6198	14.5603	Togo Rop (CFA Pr)	753.610	493.580	342.564	409.009
Cyprus	(Cyprus O	0.7051	0 4557	0.3163	0.4337	Makive is	(Rullys)	18,2108	11.7700	1.7798	2.4365	Tonga is (Pa'anga)	2.0731	1.3400	0.8301	1.2752
Zech Rep.	Korunał	41,4219	26.7730	18.5833	25.4787	Mull Rep	CF4 Fr	763.670	493.680	342.584	11_2010 469 699	Trinidad/Tobaco (S) Tunista (Dinari	8.8345	5.7100	3.9634	5,4340
Denrount. (Danish Kronel	8,6192	5.5710	3 \$669	5.3017	Matta	(Mahaos Line)	0.5478	0.3541	0.2458	0.3369	Tunisia (Dinar) Tunisiy (Leui	1.4749	0.9533	0.6517	0.9072
Upput Rep	(Dieb Fr) (E Garilo S)	241.552	160 000	111,057	152,265	Martingue	(Local Fr)	7.6361	4.9366	3.4266	4.6870	Turia & Calcos (US 6)	93293.2	60300.0	41854.7	57354.8
Dominica.	LE Garib S	4,1775	2.7000	1.8741	2.5895	Macritania	Outputvet	208.547	134,790	83.5587	128.274	Tuvalu (Australian St	2.0731	1.3490	0.6941	0.0517
Dominican Perj Foundor		20.5932	13.3190	9.2388	12,0005	Mauritius	(Maur Ruppe)	28.3834	18.3450	12.7334	17,4661				0.9301	1.67.36
	(Sucre)	4535.390	2932.00	2035.12 1999.03	.790.28	Marico	(Mexican Peec)	11.5572	7.4700	5.1850	7 1099	Uganda (New Shilling)	1590.52	1028.00	713.542	976.302
Egypt	(Egyption C)	5.2614	3.4005	2.9604	2740.77	Miqueion Moldows	(Local Fr)	7,6361 7,0166	4.9356	3 4258	4.6970	Likraine (Kerbovanes)	280507.3	181300.0	125841.6	172535.2
Sabactor	Colori	13.5535	6.7600	6.0804	8.3365	Manaco	(French Fr)	7.6361	4.5350	3.1478	4.3158	UAE (Dirham)	5.6827	3.6730	2.5485	3,4954
quat1 Guines	(CFA Fr)	763.610	493 560	347.584	469.699	Mongolis	(Tugetia)	711.990	490.180	319,414	4.6670 437.933	United Ningdom (C) United States (US \$)	1	0.6463	0 4486	0.6151
stonia	(Aroon)	17.8625	11,5680	8.0225	10.9992	Monteerrat	∉ Conto Si	4.1775	2,7000	1.8741	2.5695		1.5472	1	0.6941	0,9517
Divopia (Ethopian Birr	8.9738	5.6000	4.0258	5 5198	Morocco	Determin	13.1568	8.5035	5.9023	6.0934	Unguary (Peec Unguayo)	17.0780	7.1600	4.9698	6.8139
						Mozambique	(Metocal)	15317.3	00.0000	9871.05	9421.39	Verustu (Vetu) Veticar; (Les)	176.607 2434.52	114.180	78.2323	108.632
aldend is	(Falk E)		0.6463	0 4486	0.6151							Venezuela (Bolivar) (1)	2434.52 448.108o	1573.55	1092.21	1457 48
	Danish Kronel	8.6192	5.5710	3.8669	5.3017	Namiba	(S A Rand)	5.8204	3.6327	2.6215	3.4571	Venezuele (Bollvar) (1)	575.980m	289,625	201.031	275.823
# 8	(Fi 5)	2,2103	1,4288	0,9916	1.3595	Nauru la	(Australian S)	2.0731	1.2400	0.9301	1,2762	Vieinem (Dona)		372.285	256.406	354.207
inland	(Maridaa)	6.7494	4.3625	3.0280	4.1510		epsices Rupee)	83.9356	54.2500	37.8553	51 6273	Virgin is Bridgen (US S	17037.6	11012.0	7643.61	10478.8
rance	(CFA Fr)	7.6361	4.9356	3,4256	4,6970	Netherlands	(Guider)	2.4972	1.6141	1.1204	1.5381	Virgin to US SI	1.5472	1	0.6941	0.9517
r. Cry Alrica	(LOCH Fr)	763.610 7.6361	493.560 4.5356	3,4258	489.899	N'nd Antilias	(A/Guilder)	2.7895	1.7900	1.2425	1.7035				0.6941	0.0017
r. Pacific Is	(CFP Fg	139,178	89.9545	82,4381	4.6970 85.6057	New Zouland	(NZ S) Gold Cordober	2.3376	1.5108	1.0497	1.4378	Western Samoe (Tale)	3.9189	2.5329	1 750-	2,4105
T. Pacec is	ICFA Fr		493,560	342,584				12.3389	7.9750	5.5355	7_5895	Yerren (Rep of) (Flat	77.36000	50 0000	1 7581	67,5825
Lambia.	(Delas)	763 610 15,2389	9 8500	6.8370	469.699	Niger Flep	(CFA Fr)	753.610 34.03840	483.560 22.0000	342.584	489.669	Yemen (Rep of) (Rial)	216.605	140.000	34 7054 97.1750	133.232
Gormany	(D-Mart)	2,2280	1,4407	1	1.3711	Nigerta		34.03840 132.436m		15.2704	20.9364	Yugoslavia (New Dinar)	7.3061(2)	4,7609	313045	4.5307
Shane	(Cedi)	3251 18	1455 00	1009.93	1384.68	Norway	(Crich)	9,7999	86.8000	59.4156	01.4617	Zaire Rep (Zaire)	18411.7	11900.0		15324
	(Gradi)	1	0.6463	0.4496	0.6151		(Nor. Krone)		6.3271	4.3817	0.0212	Zambiz (Kwacha)	1523.99	965.000	8256.87	937.381
	1000		4.0-04	0.000	49191	Oman	(Rial Omani)	0.5957	0.3350	0.2672	0.3664	Zimbelowe (S)	14 4470	9.3375	683.895	8,6561

Jaccal Drawing Rights January 11, 1996 Utd Kingdom 20,956071 Utd States \$1,48022 Germany DMC 12436 Jupan Y154,879 Eu ree rate, (m) Market rate; (a) Official rate; (a) Parakel rate (i) Tourist rate (u) Currency flued against the US Dollar (v) Floating rate (i) Vene dovalued on 26/11/25; Some data derived from THE WAWTEUTERS CLOSING SPOT RATES & Bank of Amenda. Eo To obtain a copy of this table by Fax from the Cityline service dat DBP1 437001. Cata charged a zuelan Official rate de ed on 11/12/95. Marivet rate d

GUANGDONG SHEARSON LEHMAN DEVELOPMENT FUND HUTTON HOLDINGS LIMITED In 1975 OCRA has 20 offices world wide, 750 navy-made evellable. For 100 page FREE colour brochure contact: D MURPHY, CA Tel. +43 1624 815544 Fac +44 1574 81665 RICHARD COOK, USE Tel. +44 171 355 1006 Fac +44 171 485 301 INC. (Incorporated of Delaware) OFFSHORE sie of Man D MURPHY, CA The Top Net Asset Value US\$300,000,000 **Opportunities** COMPANIES 100g Kong AART DEKKER, LLAN Tek +852 2520177 Fac +852 252119 SA KEVIN NUMECKI, Eya Tek +1 214 854 3344 Fac +1 714 854 60 Floating rate notes due Guangdong Development Fund Limited announces that as October 1996 131st December, 1995, the unaudited net asset value per share Section For the three months 16 Januar of the Company was US\$1.022. For senior 1996 to 16 April 1996 the notes GUANGDONG DEVELOPMENT FUND LIMITED Get real-time quotes, Forex rates will carry an interest rate of management 5.725% per annum and interest (a company incorporated with limited liability in the Balliwick of Jersey) and news headlines un your PC with payable on the relevant interest 12th January, 1996 Signal! For more information call positions. payment date 16 April 1996 with 44 + 171 600 6101 amount to US\$144.72 per US\$10,000 note. For information call: THE TAX FREE WAY TO PLAY THE MARKETS" Petroleum Argus Daily Oil Price Reports Agent: Morgan Guaranty Joanne Gerrard KNIGHT-RIDDER'S FUTURES MARKET DATAKIT FOR ONLY \$995 Trust Company Ve are the leaders in final All the suct price information you require for Global Grude +44 0171 873 4153 anting Subjects O con-**JPMorgan** CITY INDEX Ann- 9mm. Page 1 Idetex CHi Fer mm call 0171 283 3661,

· · · ·

.....

÷.

. 4

· for elect

Hish mar

FINANCIAL TIMES MONDAY JANUARY 15 1996

5200

5150

5100

5050

5000

Source: FT Exter

EQUITY MARKETS: This Week

.

NEW YORK

Further week of volatility in prospect

Trading on the US equity market is likely to be volatile this week, given the uncertainties looming on the horizon. For much of last week shares moved in tandem with the bond market, which, in turn, moved up and down based on the budget wrangling in Washington. Today, the equity market will have to find its nwn direction because the bond market is closed for

the Martin Luther King holiday. The hudget talks, which were suspended last Tuesday, are set to resume as early as Wednesday. Investors will be watching to see if Republican leaders in Congress and Democratic President Bill Clinton will be able to strike a deal to balance the federal budget by 2002. One piece of good news is that the

two sides agreed last week to a stop-gap measure to open the government until there is a budget deal, so the flow of economic data - halted in December

OTHER MARKETS

ZURICH

The market paid the price last week for its sharply higher 1995 performance - up 25 per cent in local currency terms and more than 40 per cent in dollars, Shares encountered profit-taking after Morgan Stanley spoiled the fun by recommending a switch to German equities. Last Friday's better performance did little to

convince many analysts that the market's period of consolidation is over, and they expect index-linked funds to continue to be active sellers. This week, there is little in

the way of corporate news to distract the bears. Roche does not report initial full-year sales figures until January 23, and analysts also expect to have to wait until next week for Nestle's 1995 sales figures.

A hint of what was in store from the food group came last week from Mr Helmut Maucher, chairman and chief executive. He was quoted as saying that 1995 net profits might be lower than the previous year's result. excluding the SFr306m extraordinary gain from the sale of the Cosmair unit. In such an uncertain period,

that there is little likelihood of a let up this week in the following first-half results, the switching seen from SBC and anticipated earnings rebound CS Holding into UBS. during the second half of the Investors are betting that continuing hostilities between year has seemingly not panned out," they said. UBS and its largest shareholder, BK Vision, will MILAN push its shares higher ahead of its annual shareholders If a week is a long time in meeting in mid-April. politics, then a year seems just

measurement system.

PARIS

Scalfaro will open negotiations with party leaders today on the Last week saw a number of companies preparing investors for the worst by announcing that 1995 earnings were likely to be, at best, little changed from the previous year, writes John Pitt.

And with high-ranking CAC-40 stocks, such as Lyonnaise des Eaux, warning that 1995 net profits would be below 1994 figures - dne to problems at subsidiaries - it is little wonder the market has lost some of its new year sparkle. The banking sector has also been highlighted as facing a problematic year, and Goldman Sachs warned on Friday that 1996 was probably going to be a disappointment. Ms Susan Leadem and Mr

Neil Crowder at Goldman

Sachs said the banking sector

underperformed the CAC-40 by

Traders keep a wary eye on Wall Street

*

LONDON

Lisa Bransten

Dow Jones Industrial Average

January 1995

when the partial government shutdown

The week's most important data are

expected on Friday, although figures on

Economists forecast that the economy

added 100,000 non-farm jobs last month.

third-quarter GDP figures. Economists

expect the economy to have grown at a rate of 3.5 per cent in last year's third

quarter under the new chain-weighted

began - should resume tomorrow.

unemployment are only tentatively scheduled to be released then.

Also on Friday, the Commerce Department is set to publish

12

"Despite some optimism

too long in the life of the

government. This follows

Dini'a resignation last

technocrat government.

the likely outcome. Some

Prime Minister Mr Lamberto

Thursday, just six days short

of the first anniversary of his

Market watchers are as

believe the president will be

able to engineer a stop-gap

government that will at least

last long enough to see Italy

presidency, which began this

elections will have to be held.

view of the crisis on Friday, is

through its six-month EU

Either way, the market, which took a fairly relaxed

unlikely to see much upside

potential until the outlook

month. Others believe

three years early.

divided as the politicians over

Italian government. President Oscar Luigi

formation of a new

۶.

5

Although the UK market had its own problems last week, Wall Street proved to be the dominant influence. The 165-point fall in the Dow Jones Industrial Average over two days of trading knocked sentiment in London and traders will be keeping a wary eya on the US market this week. On the domestic front, the main event of the week is the meeting between Mr Kenneth Clarke, the chancellor of the exchequer, and Mr Eddie George, the governor of the Bank of England, on Wednesday. Since the duo cut rates last month, few expect. another move so soon.

But the week's economic statistics, which include producer prices today, unemployment and average earnings on Vednesday, and retail sales and inflation on Thursday will be closely scrutinised to see if there is scope for a rate reduction at the February or March meetings.

HONG KONG

market this week.

writes Louise Lucas.

Rumours of cash-raising

exercises are likely to continue

to worry the Hong Kong stock

undermining the current rally,

The inflow of foreign funds

which has driven stock prices higher over the past month is

expected to continue, with US

money in particular seeking

higher earnings than those

Forthcoming property

clinch the contracts are

well as banks.

before.

forecast in the home market.

projects along the new airport

railway line are also helping

sentiment, as companies that

expected to reap hefty returns.

Expectations of further cuts in

interest rates are, likewise,

favouring property stocks, as

However, some profit-taking

will persist as long as investors

following the lead of Sun Hung

On Friday, Cheung Kong, the property developer controlled

by Mr Li Ka-shing, told the

immediate plans for a share

placement, after runours that one was imminent had driven

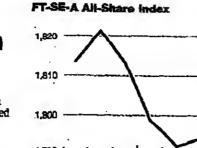
stock exchange it had no

fear that more blue chips will

tap the market for cash,

Kai Properties last week

and Citic Pacific the week



·····

Philip Coggan

Source FT Edd Both the headline and the underlying rates of inflation (the latter exclude

The corporate results season is

JOHANNESBURG

Last week's Comex account close-out on Wall Street is unlikely to dampen demand for gold and industrial stocks, but dealers' nerves will be sorely tested by an oscillating bullion price and confusion among local institutions, writes Mark Ashurst Last week's surging gold price, driven by a spate of buying from US investors, has astonished more cautious local fund managers, This week's uncertainty will focus on De Beers, one of the strongest performing stocks, as diamond price negotiations resume in Moscow. Low levels of producer selling in South Africa and Australia could combine with further announcements of forward selling by mines to sustain bullion above \$400 per oz, despite mixed expectations of gold quarterlies due this

week. Industrials, bolstered by the spillover of sentiment from gold, are well-positioned to counter any further slides on Wall Street Equity prices reached fresh peaks last week, and will be further encouraged by news of unusually high foreign exchange reserves. Compiled by Michael Morgan

The image selected for the Part of the problem has been the performance of the Frencb stock market over the last few advertising campaign to launch the privatisation of Pechiney, the French aluminmonths. While most European ium and packaging group. bourses suffered in 1995, Parcould not have been better chois's performance was excepsen. Alongside a man clutching tionally poor. After a brief rally in July and August, the CAC-10 index dropped sharply, his brief case on a rising escalator is another moving staircase - but one that is clearly edging hack up slightly in November but falling again as The message that the group's fortunes could go down as well the country was gripped by industrial action.

France puts brave face on

outlook for further sales

as up was unfortunately all too Mr Hampson argues that if the timing is right and the true - and the symbolism might equally well be applied price justified, such experito the French government's ences "are not going to spoil prospects for its entire privatithe turf for institutions". The sation programm reater question hangs on the Ignoring advice from some to feelings of individual investors

going down.

.

International offerings

delay the sale, the state went who have already been burnt. ahead in mid-November with One element working in the state's favour for future sales the privatisation, but was forced to offer a price at the is that the pressure is off. In a point stressed by the new gov-ernment of prime minister Mr lower end of its indicated range and to reduce the num-ber of shares on offer, cutting Alain Juppe, an accounting change means privatisation revenues received from an original potential peak of proceeds do not count towards FFr4bn to just FFr2.4bn. reducing the budget deficit -

Even so, when trading began one of its top priorities. Even so, Mr Jean Arthuis, in December, the shares fell swiftly below the offer price of minister of finance and eco-FFr187, to as low as FFr175 at nomics, has stressed that be is the end of the first day on the sticking to his target of privati-Paris bourse, before rising sation revenues of FFr62bn for modestly - bnt still settling beneath the original price. 1995 and 1996 combined. Since he only raised FFr20bn last year, this suggests some sub-

"It was definitely a failure. Pechiney was the last nail in stantial deals to come. the coffin for anyone who Also, one adviser to the govthought the government could do deals with ease," said Mr ernment says the lessons of the last few months are being Harry Hampson, head of the learned. Despite its flaws, the equity syndicate desk at Pechiney sale opened the pro-J.P. Morgan. cess to US investors, who pro-

Not surprisingly, French offi-cials tried to put a more posivided needed additional capacity, and the state has tive spin on events. "It was not abandoned the practice of sellreally all that bad," said one. ing some shares to a core of "The price is coming back np friendly companies - which and investors will end np by may reassure management but making a capital gain." is viewed suspiciously by insti-Nevertheless, the experitutions.

ences of those who bought into He also suggests that France recent privatisations have been and other countries are likely to pay heed to Italy's recent far from happy, and have done little to boost their confidence decision to experiment with some kind of convertible instruments rather than simple. in future sell-offs. Few of the companies sold

equity in future privatisations since 1993 have share prices above their level at the time of - providing a degree of guaranissue, and some recent examteed return and tapping into ples from last year, such as new pools of investors. The most likely sell-offs in Rhone-Poulenc, the pharmaceuticals group, and Usinor Sacilor, the steel group, have the next few months include Renault, the motor vehicle suffered sharp falls. group which is already par-

Resolution on the appropriation of net income.

Retification of the acts of the Managing Board.

That an Authorized Capital V1996 be created

MIDIOYEBS.

Ratification of the acts of the Supervisory Board.

Appointment of auditors for the fiscal year 1995/96.

tially privatised; Assurances Génerales de France, the insurance group which has seen its sale deferred numerous times; and Caisse Nationale de Prevoyance, the life insurance group. Banque Hervet has also been mentioned.

21

Meanwhile, there are likely to be some other private sales outside the market which could happen as soon as this year, including Société Marseillaise de Crédit and CIC, the banking group owned by GAN, the insurer.

Other longer-term possibilities include France Telecom, which is almost certain to open its capital, but not during 1997. The unions bave expressed their vehement opposition to its privatisation, and experts say there will need to be considerable restructuring before the sell-off takes place.

The same applies to Thom son, the defence contractor, Aerospatiale, Air France aud Bull, the computer group, They are far from ready," said one financial analyst.

The fact is that the government has now sold most of its best husinesses. Those that remain among the state-owned enterprises do not look like such attractive prospects.

Crédit Lyonnais, the banking group, for example, is only just embarking on a restructuring after incurring losses of FFr21bn in the past three years. GAN itself is still facing substantial concerns over its property portfolio, and bas demanded a capital increase ahead of any sale.

What dictates sell-offs in the coming months will depend on a combination of bow successfully the managers of the stateowned enterprises are able to bring about the necessary restructuring, bow well the sales are structured, and market prospects. The only element that will be less certain still is investor sentiment.

The French government must bope that over the coming months these factors are all destined for a change; to be on the escalator going np, rather than the one going down.

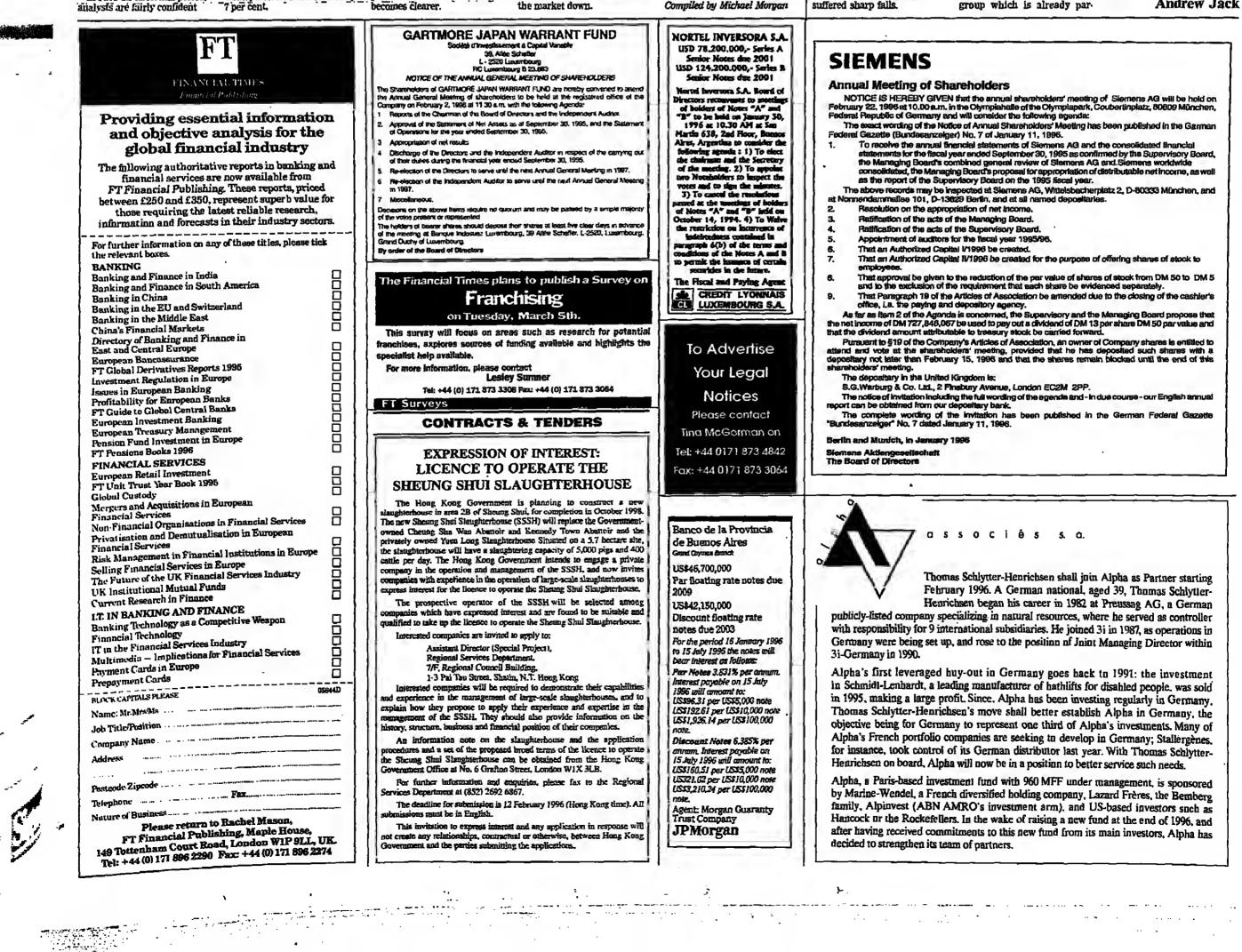
Andrew Jack

1.790 0 5 January 1995

mortgage payments) are expected to have edged lower in December.

gradually picking up speed, with retailers providing the bulk of the be provided by the conglomerate today, and has a range of businesses are concerned about whether the

reports so far. A broader picture might Tomkins, which reports interim figures from baking to gun-making. Investors slowing economy is having an adverse effect on the earnings growth of UK plc



That Paragraph 19 of the Articles of Association be amended due to the closing of the cashler's office, i.a. the paying and depository agency. As far as flam 2 of the Agenda is concerned, the Supervisory and the Managing Board propose that the net income of DM 727,848,057 be used to pay out a dividend of DM 13 per ahare DM 50 par value and that the dividend amount attributable to treasury stock be carried forward. Pursuant to §19 of the Company's Articles of Association, an owner of Company shares is entitled to attend and vote at the shareholders' meeting, provided that he has deposited such shares with a depositary not later than February 15, 1996 and that the shares remain blocked until the end of this shareholders' meeting. The depositary in tha United Kingdom is: S.G.Warburg & Co. Ltd., 2 Finsbury Avenue, London EC2M 2PP. The notice of invitation including the full wording of the egenda and - in due course - our English annual report can be obtained from our depositary bank. The complete wording of the invitation has been published in the German Federal Gazette "Bundesanzeiger" No. 7 dated January 11, 1996. Berlin and Munich, in January 1995 Siemens Aktiengeselischaft The Board of Directors

associés s.a.

The exact wording of the Notice of Annual Shareholders' Meeting has been published in the Garman

That an Authorized Capital IV1996 be created for the purpose of offering shares of stock to

That approval be given to the reduction of the par value of shares of stock from DM 50 to DM 5 and to the exclusion of the requirement that each share be evidenced separately.

Thomas Schlytter-Henrichsen shall join Alpha as Partner starting February 1996. A German national, aged 39, Thomas Schlytler-Henrichsen began his career in 1982 at Preussag AG, a German

publicly-listed company specializing in natural resources, where he served as controller with responsibility for 9 international subsidiaries. He joined 3i in 1987, as operations in Germany were being set up, and rose to the positinn of Jnint Managing Director within 3i-Germany in 1990.

Alpha's first leveraged huy-out in Germany goes hack to 1991: the investment in Schmidt-Lenhardt, a leading manufacturer of hathlifts for disabled people, was sold in 1995, making a large profit. Since. Alpha has been investing regularly in Germany. Thomas Schlytter-Henrichsen's move shall better establish Alpha in Germany, the objective being for Germany to represent one third of Alpha's investments. Many of Alpha's French portfolio companies are seeking to develop in Germany; Stallergènes, for instance, took control of its German distributor last year. With Thomas Schlytter-Henrichsen on board, Alpha will now be in a position to better service such needs.

Aloha, a Paris-based investment fund with 960 MFF under management, is sponsored by Marine-Wendel, a French diversified holding company, Lazard Frères, the Bemberg family, Alpinvest (ABN AMRO's investment arm), and US-based investors such as Hancock or the Rockefellers. In the wake of raising a new fund at the end of 1996, and after having received commitments to this new fund from its main investors, Alpha has decided to strengthen its team of partners.

22

FINANCIAL TIMES MONDAY JANUARY 15 1996

Japan

WORLD BOND MARKETS: This Week

FRANKFURT

Martin Brice

NEW YORK

US Treasuries ended higher in thin but volatile trading last week as the market continued to worry about the budget deadlock in Washington. The benchmark 30-year long bond ended 🔓 up at 1095, to yield 6.15 per cent.

Today the bond market is closed for the Martin Luther King public holiday. For the rest of the week, the dominant issue will be the resumption of budget talks between President Clinton and his Republican adversaries on Wednesday. The market had become a

touch complacent over prospects for a budget resolution, and was unnerved last week when Mr Newt Gingrich, the House Speaker, sted it might not be sugg settled this side of November's presidential election Meanwhile, the lack of economic data due to the government shutdown is ecoming increasingly irksome. Figures for November housing starts are due tomorrow, followed by

This will be a busy UK data. Gilt inves Benchmark yield curve (%)* studying figures on 12/1/96 - Month ago prices, employment and sales. Mr Eddie governor of the Ban England, and Mr Ke Clarke, chancellor the exchequer, hold monthly meeting or policy on Wednesda change is interest n expected. 10 years 20 30 Producer price da "All yields are market convention Source: Mernil Lynch expected to show a trend on input price while figures for De the trade figures on unemployment due Wednesday. Friday sbould bring revised Wednesday are exp show a smaller red GDP data for last year's third quarter; some home sales data the 20,000 for Noven The public sector for November are due; and requirement for December is also due on Wednesday, and December's employment figures are expected. estimates range from £500m to However, publication of the £1bn, although December's data depends partly on the figure may be boosted by weather. Now that government interest payments due on officials have been told to come stripped gilts, which are paid back to work, many are in June and December.

LONDON

Richard Tomkins

US

6.20

5.80

5.40

5.00

hampered by blizzard

conditions in Washington.

in the industry: the increas-

ingly aggressive efforts of com-

mercial banks to boost their

share of the eurobond under-

writing business via their

For example, ABN-Amro

Hoare Govett, the investment

banking arm of the biggest Dutch commercial bank, ABN-

Amro, has lead-managed

\$2.94bn of bonds, equivalent to

some 20 per cent of Its total

book-running volume last year.

This puts it in second place in

the league table for the first

two weeks of the year, up from

12th for the whole of 1995.

investment banking arms

	the second se
week for tors will be producer , inflation e George, ak of enneth of their n monetary ay, hut no ates is ta today is n easing e inflation, ccember on ected to action than	UK Benchmark y/eid curve (%)* 12/1/98 — Marth ega 6.00 7.50 6.50 6.50 6.00 6.00 6.00 6.00 7.00 6.50 6.00 7.00 6.50 7.00 6.00 6.00 7.00 6.00 6.00 7.00 6.00 7.00 6.00 8.00 6.00 7.00 6.00 8.00 7.00 6.00 8.00
nber.	Retail sales are expected to
borrowing	have increased by about 0.8 per

lve 13 and ted to ut 0.8 per cent in December, although Mr Andrew Roberts at UBS said: "Sales data should not be taken negatively. The market has discounted a strong figure, and annual growth is purely down to the National Lottery's anniversary." He expects the market to advance, but not to outperform bunds.

The German bond market continued its positive trend last week, with active buying from investment funds. Poor economic data and the recovery in the US market kept prices buoyant. The new 10-year, 6 per cent German government loan traded at up to 100.70, and the Bund future moved above 100 for the first time in two years. Helping fuel the optimism was the possibility of even lower short-term German rates in response to the weak economy. The securities repurchase (repo) rate eased as expected and is set to fall further from the current 3.73 per cent. Some regional Bundesbank council members held out the prospect of another cut in the discount and Lombard rates, now at 3 and 5 per cent respectively. Not all economists agree more rate reductions are likely, but they are no longer excluded. "Perhaps 3 per cent might

Germany Benchmark yield curve (%)" 12/1/96 - Month ago -6.50 5.50 -4.50 -3.50 10 yrs 20 0 "All yields are murket Source: Merrill Lynch

Andrew Fisher

a state a second de

discount rate cycle," said Mr Richard Reid of UBS in Frankfurt. Since fiscal stimulus is constrained by the need to meet the criteria for monetary union, "monetary policy must bear the burden of the policy response", he added. Mr Julian Jessop of HSBC Markets expects a discount cut an easy monetary stance. to 2.5 per cent by July, saying a weak French franc or worse futures fell earlier this month, German data could advance the BoJ injected large amounts this to March or April.

While the bond market managed to recover marginally last week, thanks to an easing of the dollar and the stock market, pessimism prevails due to expectations of brighter economic prospects. The government is expected to make an improved forecast for the economy in its monthly economic report this week. prompting profit-taking. investors will also be focused on the currency market, since a weaker yen gives a big boost to corporate profits. Forecasts of an economic pick-up have also affected the futures market. Government bond futures trading has been stagnant, falling in December by 31 per cent from November on the Tokyo Stock Exchange. But some bond market analysts believe the negative sentiment has been overdone. The Bank of Japan, for instance, intends to maintain

"As the Euroyen bond

TOKYO

- Month agu -12:1404 4.00 -----3.00 2.00 1.00 16 VOO'S 5 market convention All yaelds iuto the money market and

Senchmark weld curve (%)

Emiko Terazono

pushed bank reserves as much as Y700bu over requirement to dampen the rise in rates." points out Mr Marshall Gittler at Merrill Lynch in Tokyo. And Mr Yasuo Matsushlta, governor of the BoJ, has confirmed that the goal of its monetary policy is to place the economy on the path to growth without Inflation, and that it will maintain its accommodative monetary stance to support the economy.

International bonds Mixed feelings over flood of new issues

Thursday sees data on retail

sales as well as inflation,

A record amount of new supply has hit the eurobond market in the first two weeks of the year - but has the quantity of new bonds been matched by quality? Mulling this questioo at the end of last week, many syndicate managers reviewed the recent crop of deals with mixed feelings.

"Some banks bave gone bananas - they have been piling into the market, loading up their balance sbeets, and will be owning a lot of the deals we've seen in the last two weeks," said one manager.

Some new issues have seen strong investor demand, but many more have performed poorly in the days following launch, their yield spreads over government benchmarks widening and sales to endinvestors flagging.

This has applied particularly to tightly-priced, swapped deals which have surfaced in various sectors - notably US. and Canadian dollars - where tight swap spreads have made interest rate arbitrage difficult to achieve.

The more successful deals have been longer-dated D-Mark

issues, for which there has been beavy investor demand, year, against \$8.7hn for all of as well as attractively priced transactions by issuers who do not need to swap the proceeds. Interestingly, the league tables for eurobond book-

runners have undergone a drastic reshuffle since the end of last year. While league-table Union Bank of Switzerland. analysis is of limited value this early in the year, the numbers Warburg. highlight an important trend

profile book-runners have been left behind: Merrill Lynch, top underwriter for two years running, has slipped to 17th place, while CS First Boston and Nomura, ranked third and and fourth respectively in 1995, have fallen to 15th and 16th . This shift has several explanations. For one, the ongoing bull run in the D-Mark bond market has favoured some of the big German houses, notably Deutsche and Dresdner. Still, German book-runners are coming under increasing competition from their non-German counterparts: in 1995, only about 35 per cent of inter-

BZW, Barclays' investment national bonds were led exclubanking subsidiary, bas jumped to fifth place, from sively by German houses. 20th in 1995. It bas underwrit-Another reason why some of

the usually top-ranked underten \$2.1bn of bonds so far this writers have been keeping a low profile is that their main

Six of the top 10 bookrunners for the first two weeks managers - have been too, fina-tuning their investment are backed by commercial banks: Deutsche Morgan Grenstrategies for the new year. fell, ranked number one with \$3.2bn of issuance, ABN-Amro, private investors have exe-BZW, Dresdner Bank and SBC cuted a large number of retail-Meanwhile, the usually high-

aimed at retail investors who are thought to be less spreadsensitive than institutions. "In a month or two, there will be more institutional business, which should restore the equilibrium in the league tables," said one banker. Still, commercial banks remain a force to he reckoned with. Flush with cash after a profitable 1995, they appear keen to increase their market share, even at the risk of

underwriting deals that don't sell well. "Banks which are backed by a big capital base are happler to buy and hold deals than Independant investment banks," said a syndicate official at a commercial bank.

"It helps us tell a good story to borrowers: we have a greater ability to keep a transcustomers - institutional fund action on our books, maintain the yield spread and not feel pressure from our capital resources to cut and run." Meanwhila, commercial Indeed, at a time of rallying hanks with a bigger base of markets, keeping unhedged bond positions on the books may be a shrewd move. It may targeted transactions. Several not be as profitable as buying tightly-priced deals have been bond futures, but it has the bonus of nurturing relationships with horrowers and investors, as well as raising a bank's profile in the eurobond market. Some even say banks have been so keen to improve relationships with borrowers they actively subsidise deals to get the underwriting mandate. "In some cases, swap subsidies and the costs of hedging unplaced bonds mean banks are making no money, or are actually losing it," said a dealer, adding: "Banks with large balance sheets can throw

not be the low point in this

money at deals, hut that doesn't necessarily reflect their ability to execute and place good transactions." Conner Middelmann

10-year benchmark bond yields Per cent 14 ومعيد ومرجعه متر 13 5000 UK. US 0 **J** 1 S 3 . A 1095 Source: FT Extel INTEREST RATES AT & CLANCE USA -France ' LIK Germa Discount 5.25 0.50 3.00 8.10 9.00 6.505 <u>.</u> 4.53 n.e. 6.44 Overnight: Three man 10.72 5.88 'n B 5.18 0.50 3.53 4.61 10.00 6.25 6.99 9;71 One year Five year Ten year 5.84 5.45 1.75 4 80 10.20 7.43 6.55 10.59 5.76 3,12. 5.91 US TREASURY BOND FUTURES (CHT) \$100,000 Sends of 100% Open ... Set price Change Open int. Est, vol. 352,579 368,673 Mar. 118-31 -118-31: / 119-15 118-18 1 118-24 119-01 118-05 2.173 19.048 Jun 118-18 5.594 118-02 117-26 Sec 118-12 118-17 ÷., and the second

 \mathbf{x}

.

	Prices for sectority desentant for the performed of previous sectority desentant for the performed an approximation of the endeared an approximation of the sectority desentant for the performed of the sectority desentant for the performance of the performance of the performance of the sectority desentant for the performance of the per	Canadian debt
Commonwealth Bank Australia	Present Rot for Am Rous for (2014) Party or 10.078 Preside or 102.06 Preside Party or 10.078 Preside or 102.06 Preside Party or 10.078 Preside or 102.07 1/2 hour partod prod Preside Party or 10.078 Preside Party	Quebec tests post-referendum waters
Decorptioned in Australia with Image Mathib U.S. \$5,500,000 Undated Floating Rate Notes exchangeable into Dated Floating Rate Notes and U.S. \$227,250,000 Floating Rate Dated Notes due 13th July 1998 exchangeable into Undated Floating Rate Notes and U.S. \$227,250,000 Floating Rate Dated Notes due 13th July 1998 exchangeable into Undated Floating Rate Notes and U.S. \$19,000,000 Floating Rate Dated Notes due 13th July 1999 exchangeable into Undated Floating Rate Notes and U.S. \$48,250,000 Floating Rate Dated Notes due 13th July 2000 exchangeable into Undated Floating Rate Notes and U.S. \$48,250,000 Floating Rate Dated Notes due 13th July 2000 exchangeable into Undated Floating Rate Notes Interest Rate Undated Notes 5.65% per annum UBOR 5.5% + 0.15%) Dated Notes 5.5% per annum (UBOR 5.5%) Interest Period 16th January 1996 to but excluding 16th July 1996	0200 2227 24.14 25.00 0200 12.02 13.07 14.5 0200 14.56 24.14 25.00 0200 12.02 16.00 17.7 0400 4.55 16.07 16.07 0400 22.02 16.00 17.7 0400 4.55 16.07 16.07 0400 6.02 13.02 13.17 14.00 0400 4.55 16.07 13.42 0500 6.02 13.27 14.00 14.67 0500 6.02 13.22 13.02 13.22 0700 6.02 13.02 13.42 0600 6.09 13.42 0600 6.09 13.42 0600 6.09 13.42 0600 4.59 13.42 0600 22.44 34.02 34.04 34.02 34.04 34.02 34.04 34.02 34.04 34.02 34.04 34.02 34.04 34.02 34.04 34.02 34.04 34.02 34.04 34.02 34.04 34.02 3	Image: State work is the second highest among is the second highest among independence from Canada is 10 provinces, after independence from Canada is 10 provinces, after independence from Canada is 10 provinces, after impoverished Newfoundland. Interpondence from Canada is 10 provinces, after independence from Canada is 10 provinces, after the slimmest of margins. The USSSOM Yanke issue. Confirms that fears about Can- ada's future and Quebec's fir- recent months. But the terms of the bond have also under- lunce the challenges facing Mr Lucien Bouchard, he separati- ist leader who takes over a spread would normally apply The 10 wer full cover (100 kers) of the bond formally apply meetil Lynch, was priced 7.ists. Its debt, equal to 56 per is the second highest among Canada is 10 provinces, after debt to second highest among independence would drive it to well over 100 per cent. Guebec's farmed cepartment, spread would normally apply meetil Lynch, was priced 7.ists. Its debt, equal to 56 per is the second highest among Canada is 10 provinces, after and medium-term note pro- sais points abore equivalent a spread would normally apply meetil Lynch, was priced 7.ists. Its debt, equal to 56 per the slimmet in the US. Canadian and medium-term note pro- statis apread would normally apply meeting than Quebec's s. Ar- and spread would normally apply meeting than Quebec's s. Ar- and spread would normally apply meeting to a source ty ears, while most Canadian province has meet its apread would normally sprivate province has meet its appear of a about Case, or any chase spreading on the more was as pread would normally apply meeting than Quebec's s. Ar- and has begun to pre-fund equeber has been a voracious, while most Canadian prov- massling total tax-suprorted debt to about CS96hon
Interest Amount due 16th July 1996	Convert Docal to percent and when the Convert Docal of the Convert Docal	ding unfunded pension liabili- of C\$5.7bn in the year to March inces. The spread on bonds Bernard Simon NEW INTERNATIONAL BOND ISSUES
Undated Notes per U.S. \$ 10,000 Note U.S. \$ 285.64 per U.S. \$250,000 Note U.S. \$7,140.97	This ready regression may be also of the measure of each of the second reads in the second reads of the measure of the second reads of the second	Amount Cogoon Yeat Leanch Book namer Borrower in Maturity % Price % spread bp Book namer m. Maturity % Price % spread bp
Dated Notes per U.S. \$ 10,000 Note U.S. \$ 278.06 per U.S. \$250,000 Note U.S. \$6,951.39	Finded through the posterior for good process in the indication of good	US DCILLARS REAL Rest 1,0500 Aug.1999 4.50# 97.75 5.317 Taxatch int (Baraper) Stociant Law Metzyme 500 Jan.2006 6.125 99.0486 6.256 4405% 400 Metzyme UD234000400 RRVACS
CS FIRST BOSTON Agent	The surve as trained pool process for that new relating pool of any state of the survey of the surve	[1937D01★ 300 Jan 1997 4.50 100.50 3.09 - Noncer International Disk Instant Constraints (Constraints Constraints Constr
		Toyota Motor Cardil Corp. 300 Jan. 1998 5.125 99.778 5.249 Baltistander 406 457 458 407 10 Stanlary USS ALLEN DOLLARS 400 98.04958 6.251 446814 74-03 Stanlard Brathas Stanlard Brathas 300 Feb 2001 7.756 101.579 7.860
REAL-TIME QUOTES! Accurate, reliable quotes for your PC with Signal!	MILTUPLE OPTION FACILITY AGREEMENT INTER WARKLYS 1994 every Wednesday &	Japon Premiss for Munit Eds. 300 Feb2 3038 6.137 34/07/5/16/100 Demographic Particle 100 Feb. 1999 7.25 100.15 7.193 Huminitive Bank Harring Partice Partice In Partice Co. 200 Jan 1999 5.058 66/37/5/16/30 Demographic Partice Co. 200 Dec. 2001 67/5 99.708 66/19 100/17/5/-010 Delman Demographic Partice Co. 200 Dec. 2001 67/5 99.708 66/19 100/17/5/-010 Delman Demographic Partice Partice Co. 200 Dec. 2001 67/5 99.708 66/19 100/17/5/-010 Delman Bandom Sandersci. Bandom Sandersci. Bandom Sandersci. Bandom Sandersci. Bandom Sandersci. 200 Dec. 2001 67/5 99.708 66/19 100/17/5/-010 Delman Bandom Sandersci. Bandom S
How much are your investments worth this very minute? If you don't know, you	In accordance with the provisions of the Transferable Loan Certificate issued on April 12, 1994, notice is hereby given that for the there months interest period from Janasy 12.	Ubsted Medium States() 1.5m Jan 2013 10.175 92.50R 10.48 +4850 ⁻¹ - 478 05He/ Orsteche MBC Monthler States(s) 100 Dec. 2001 6.625 99.15R 6.81 Bet(7 ¹ / ₂ %-01) Toronte Domination Bank Li Revinter / Patr Phance 300 Feb.2002 5.775 99.41R 3.483 +558 (Sate Phance 400 Feb.2000 6.625 99.15R 6.81 Bet(7 ¹ / ₂ %-01) Toronte Domination Bank 10 Sete States(s) 100 Dec. 2007 6.625 99.15R 6.81 Bet(7 ¹ / ₂ %-01) Toronte Domination Bank 11 Substates(s) 200 Feb.2002 6.775 99.41R 3.483 +558 (Sate Phance 400 Feb.2000 6.625 99.15R 6.81 Bet(7 ¹ / ₂ %-01) Toronte Domination Bank 11 Substates(s) 200 Feb.2002 6.775 99.41R 3.483 +558 (Sate Phance 400 Feb.2000 6.625 99.15R 6.81 Bet(7 ¹ / ₂ %-01) Toronte Domination Bank 11 Substates(s) 200 Feb.2002 6.775 99.41R 3.483 +558 (Sate Phance 400 Feb.2000 6.625 99.15R 6.81 Bet(7 ¹ / ₂ %-01) Toronte Domination Bank 12 Substates 12 Subs
could be gaining — or losing — thousands while you read this ad. To maximize your profits.	149m to April 12, 1996, the Certificate will advertising in this section care as have a lateron Rate of 6,115% per annum. please call;	Republic of Analytery 1.50m Feb.2006 6.00 99.035R 6.132 +1865%-089 Onescher Bank PESETAS unter Analytery 1.50m Feb.2001 8.90 101 22 8.590 BSN Descher Morgan GTML Banksche Bank Bank Bank Bank Bank Bank Bank Bank
you must have real-time quotes from Signal, the #1 quote supplier in the U.S. — now in Europe!	Barclays Bank PLC. Hong Kong An Facility Agent Toby Finden-Crofts on +14 0171 873 3456	Hamburgherbe Landerstankt; 100 Jen 2001 00 100,00 Lateran 2cc:Sarkbass Benk Austre 250 Feb 1997 13.25 100,90 12.24 Hamburgherbe Nangforr of Smoden Bin Feb 2001 5.00 92,85% 5.003 3.555% 5.007 PBW Satemon Brust EBPD 250 Feb 1997 13.50 101.00 12.24 Hamburg Brust Nampforr of Smoden Bhr Feb 2001 5.00 92,85% 5.003 3.555% Feb 1997 13.50 101.00 12.38 West Merchant Bank Dayte Bankpit 150 Jan 2002 81 100.00 12.38 Dentsche Burgen Statisty Bank Gettache Bank Finiance 250 Jan 1997 13.50 101.00 12.38 Dentsche Burgen Statisty Bank GED 200 Jan 1997 13.50 101.00 12.38 Dentsche Burgen Statisty Bank GED 200 Jan 1997 13.50 101.00 12.38 Dentsche Burgen Statisty Bank GED 200 Jan 1997 13.50 101.00 12.38 Dentsche Burgen Statisty Bank GED 200 Jan 1997
Real-time quotes for real-time profits! D Analyze real-time quotes Track the markets in real- instantly with the leading	CMEC CHINA	Registive of Argentication 500 Feb. 2003 10.25 99.50F 10.35 +463/74-5 +02 Editection Feb. 2007 5:00 99.51F 5:044 +45(5) 10.35 +65(5) 10.35 +65(5) 10.35 +75(5) 10
than 90,000 issues from analytical investment soft-	INDUSTRIAL HOLDINGS LIMITED	Republic of Tarkey(sit * 10km Feb.2006 7.20 100.00 - Yamaich: kill (Europe) Credit Load de France * 10km Feb.2001 2.25 100.00 2.250 - Nieweikele France kall. Frank Stranger, Scanawrite, 2Floating-rate sole, With equally warrants, */Final source source to all course source would all lourch source source would be bad
LIFFE, MATIF, all major U.S. futures and slock and V. S. A exchanges, and more!	Net Asset Value CMEC China Industrial Holdings Limited announces that as of	SINES FRANCS R fixed ra-cliffor price, a) 3-exh Liber fat, b) Calabity on course data to route the state of the second man between the second m
 Protect your investments with limit alerts even when For information, call 44 + (0) 171 600 6101 Extension 172 	31st December, 1995, the unaudited net asset value per share of the Company was US \$1.039.	Trans-Totigo Bay Highway 150 Feb.2005 4.00 101.70 3.793 CalSatear BUSw12, year of the advect of the dealer of the
your PC is turned off. Signal 's areptimen indexan of tab. Signal 's areptimen indexan of tab. Signal BDBC	CMEC China Industrial Holdings Limited use exempted company recorporated with laminal labelay in the Cayman Johandan 17th January, 1946	Erropest lavedment Barkes) 400 Dec.2005 1.825 99.2558 7.55 -1577/1-65 82387 KSBC lighters Planderid, 0 3-mit Libor -3060, g11 Juna bootenstrates: 827 KBL / Campel San Packer & Margan, 1 Linkbin of 25/1/99 40 Dec. (1) 4/-% to 25/1/99 40 Dec. (2) 4/-% to 25/1/99 40 Dec. (3) 4/-% to 25/1/99 40 Dec. (4) 4/-% to 25/1/99 40 Dec. (5) 4/-% to 2
		Cable & Wretestics 200 Aug2012 8.75 99.1528 8.862 +956%-12 Haffred Capital Mits: Same horse State in Cable State Stat

id you know this used to be a beautiful garden, full of big trees?" said my Solomon Islands taxi driver, pointing out the deputy prime min-ister's residence. The view over Iron

and the second secon

Bottom Sound away to the islands of central province is stunning, but the garden liself is now an ugly cement yard.

Mr Solomon Mamaloni, the prime minister, has cut down all the trees at his new residence too, adds the driver. "Perhaps he just doesn't like trees."

Ecologists would agree with my driver. After 17 years of indepen-dence - it was a British protectorate - the small Pacific nation of 350,000 people now relies on logging revenue for more than half its foreign exchange earnings. The prob-lem is that at the present rate, there are only 10 years left of commercial timber, according to independent estimatea. "Rather than under-standing the problem it has made, the government has gone out of its way to make things worse," says Dr John Roughan, adviser to Solomon Islands Development Trust, the country's largest voluntary organisation.

The country's Central Bank is also critical. Its latest annual report warns: "The high dependence on the logging sector, not only for government revennes, but also as the main engine of growth in external reserves, represents a major weak-ness of the economy."

The government says it wants to develop local processing of the wood, providing income for locals. Last year Mr Mamaloni was given a chest of drawers by Mr Ray Jones, then the British high commissioner, made from calopbyllum wood, a mahogany substitute, which had been cut from a community project in the Solomons and then crafted in the UK. Accepting the gift, Mr Mamaloni reiterated the government's aim of banning the export of logs by 1999.

That course was outlined in a policy paper published by the govern-ment in December 1994, which replaced round-table efforts sponsored by UK and Australian government aid agencies to implement a sustainable forest policy. However, the incentive for the government to promote sustainable harvesting is limited as its plantations were sold to private enterprises late last year.

Just weeks before the plantations were sold, the government cancelled a special plantation and inventory valuation financed by the European Union. Without such data, it is impossible for outsiders to tell whether the plantations were sold at a fair price. Another EUbacked research project to assess the potential for local processing of the wood was also cancelled, mak-

In a jungle of vested interests ing a mockery of the government's stated aim to "improve efficiency of foreat industry production, strengthen value-added processing facilities and commodities, and maximise market value of logs and

sawn timber". "Solomon Islands can successfully develop its forestry resources on a sustainable level," the policy paper says, "because, after all, logs and timber are not the only commodities of commercial value which our people can rely on. The most valuable commodities of the forests, as far as Solomon Islanders are concorned, are edible herbs, smallersized trees and other bush materials to build shelters for their families. Unless this pattern of life is extinct. through heavy modernisation, the forests in this country are as safe as they have always been since time

But without the information that would have been provided by the cancelled studies and a proper inventory of the resources, mean-ingful planning is impossible, and time is running out. The most Nicola Baird, winner of the 1995 David Thomas Prize, looks at logging the rainforests of Solomon Islands

THE DAVID THOMAS PRIZE

recent inventory was completed in 1992. The Australian-backed research put the sustainable rate of harvest at 325,000 cu m per annum. However, as logging has continued apace, the sustainable yield is now reckoned to be just 275,000 cu m. The moratorium on logging licences in 1994 introduced by the National Coalition party government which has since collapsed, has not been upheld. At the start of this year the official Timber Control Unit, the only organisation monitoring the country's timber harvest, was closed.

Since the new government has issued logging licences allowing an annual cut of 4m cu m, the country could theoretically be logged out in three years. The logging companies

ing.

are not equipped to log at this company, wants to start level, but even at the present estilogging operations on Tetepare, the mated cut of 700,000 cu m, the resource cannot last more than 10

STANDS

d . . 10a.

largest uninhabited island in the Pacific. Opponents to logging in Tetepare Most islanders, who live in isosuggest alternatives such as an ecolated rural villages, depend on the rainforest for housing materials, bush medicines and food. On tourist resort, but they are fighting

against the odds, as Western Province leads log exports. In the first Pavivu Island there is strong opposix months of 1995, it provided 60 sition to new logging activities. "The logging on Pavnvu is out of control and destructive," warns Mr per cent of total trees cut. Some voluntary organisations, such as Solomon Islands Develop-

Lawrence Makili of Greenpeace, the ment Trust, are using awareness environmental pressure group. campaigns to try and balt the Logging is happening very fast, wholesale destruction of the rainwith little planning and no monitorforest Mr Francis Iro, field director of In neighbouring Western Province, Solomon Islands' top tourist spot, Goodwill, an Indonesian

the development trust's theatre group, has been putting the antilogging message across through

drama. "It was the first time these people had been shown alternatives," be says after a recent tour of Guadalcanal Province. "They'd had logging but they'd been given no environmental awareness. Now food like kumara [sweet potato] won't grow well. There's erosion and the top soil is mixed with oil. Some of these villagers are hungry.' l used the David Thomas Memo-

rial Prize to finance a trip for three Solomon Islands community foresters to Papua New Guinea to visit foresters working there with the Pacific Heritage Foundation. It was the first chance for foresters from the two countries to discuss ways of encouraging villagers to take an active role in sustainable timber management.

Both Papua New Guinea and the Solomon Islands have dismal records at using their forest resources. Both are among the last countries in the world to allow the export of entire logs. Harvests in both countries are estimated to be more than twice the sustainable rate.

But sustainable community log-ging has positive benefits. Although the political focus is on industrial logging, both nations have voluntary organisations helping village communities to use their land in a sustainable way.

At Arabam, a village in Papua New Guinea, Mr George Metpes, one of the villagers running a Bainings community forest project. enthusiastically told us about the changes a forest project has brought to his community. "We had one store before, now we have four. Everyone gets a chance to work so the benefits are distributed throughout the village.

Other non-governmental groups in Solomon Islands, such as Sol-trust, lumi Tugetha Holdings and Solomon Western Islands Fair Trade, are promoting alternatives to large-scale logging through commu-nity saw-milling initiatives. But they are hampered by lack of gov-ernment support and the physical difficulties of working in a country where few people can read and write, 90 per cent of the population live in isolated villages and where the local word for "development" means the same as "money"

The evidence suggests the govern-ment suffers from a similar confusion. Mr Sosimo Kuki, director of Komunibuli Training Centre, a charitable organisation which runs timber management courses for vil-lagers, says the government's policies are short-sighted.

"The government seems to listen to the loggers but dismisses the opportunities presented by smallscale saw-milling," he says. "The logging rate has to drop to a sustainable rate and the best way to do that is to support the alternatives.

"What the government is doing affects the future of the whole country. If something doesn't happen soon, the Ministry of Forestry, Environment and Conservation might as well be called the Ministry of Destruction."

With thanks to David Thomas Trustees for providing funding for this trip - including a week-long visit for three Solomon Islanders to visit commamily forest projects in Papua New Guinea; to British Airways for flights to Australia; and to Pacific Heritage Foundation for sponsoring canoe journeys around East New Britain Province.

The David Thomas Prize was set up in memory of David Thomas, a Financial Times journalist killed on assignment in Kunoait in 1991.

Nicola Baird runs the Forest Manogement Foundation, a registered charity promoting the development of sustainable community forest projects worldwide.

ne of Papua New Guinea's most attractive towns, Rabanl, disappeared in September 1994, buried under the debris of two volcances which crupted near the coastal city, writes Nicola Baird. More than a year later only a few plants have bloomed. Not far from the wrecked town,

trade in Papua New Guinea. Last year more than 3m cu m of

estimates.

To prove that the timber prodnced by the project is wellmanaged and harvested on a sustainable basis, Mr Henderson songht independent certification for the community groups. In Jann-

Barking up the right tree

Mr Max Henderson runs the Pacific Heritage Foundation, a small vol-untary organisation dedicated to developing a sustainable timber

timber was cut by loggers - at least three times more than the sustainable rate, according to independent

The Pacific Heritage Foundation is involved in schemes such as **Bainings Community Forest Project** in the East New Britain region, which involves local people in cutting, processing, and regenerating the forest.

way.

eco-timber projects are backed. Selected trees are only cut after an inventory and careful planning, and once an area has been cut it is

In contrast, the areas logged by beavy machinery turn to mud and then become smothered with kunai

Mr Henderson says austainable logging can be achieved. "The solution is to make more use of each tree - to manufacture components, chairs, outdoor furniture, mouldings and so on so that the community can get better value for their

timber. created beavy demand for timber as reconstruction work gets under way. However, as Mr Henderson points out, at least some of the thu-

ary 1993 they passed a rigorous test by SGS Forestry, part of the Swiss control group Société Générale de Surveillance, making the Bainings **Community Forest project in Bast** New Britain one of the first in the

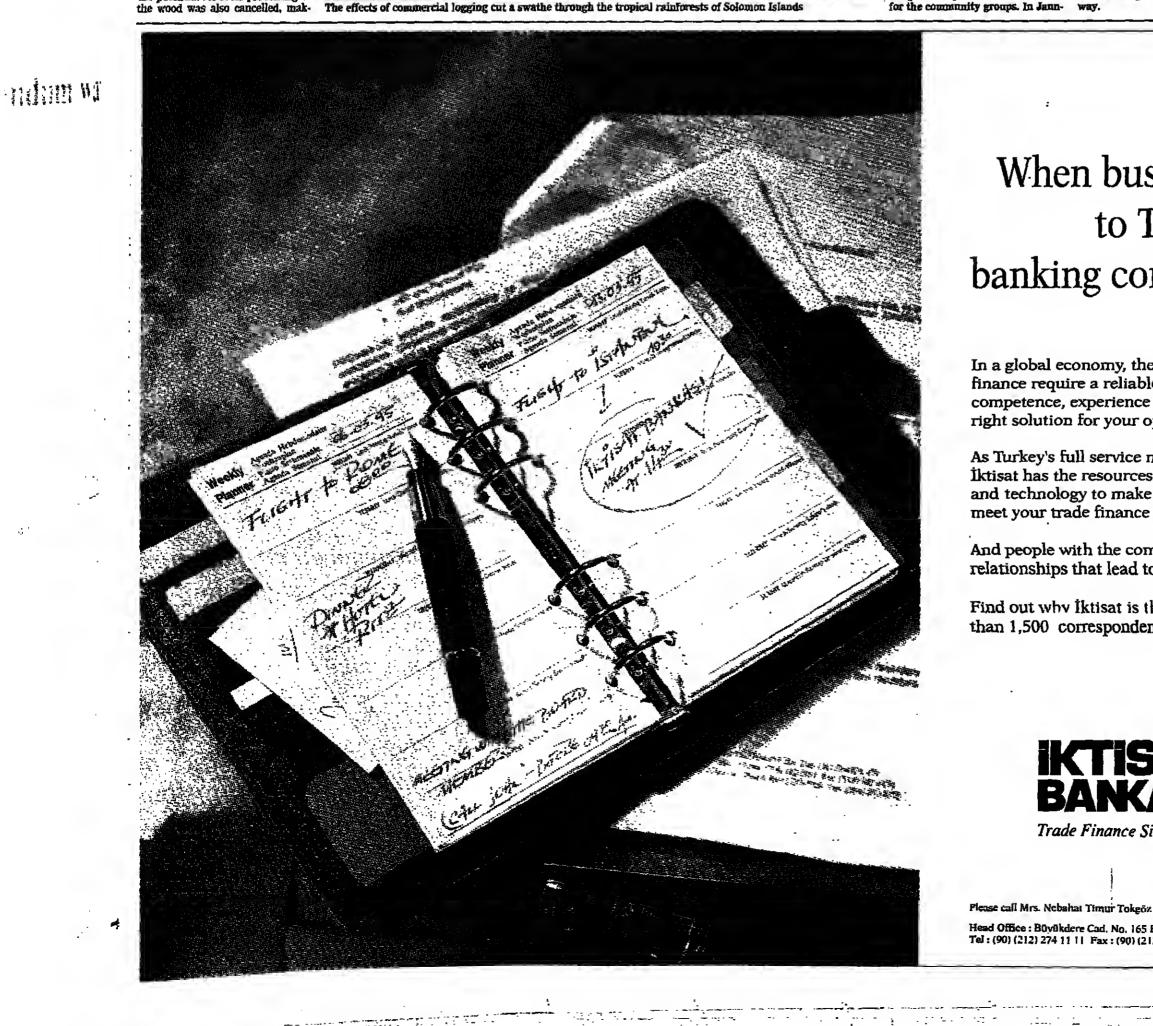
left to regenerate.

grass and vines.

Meanwhile the eruptions have

ber is being cut in a sustainable

world to win this certification. Under Pacific Heritage, loans are offered for portable saw-mills and



When business comes to Turkey, banking comes to İktisat.

In a global economy, the demands of foreign trade finance require a reliable partner. A partner with the competence, experience and imagination to find the right solution for your opportunity.

As Turkey's full service merchant banking group, İktisat has the resources, professional organization and technology to make fast, informed decisions to meet your trade finance needs.

And people with the commitment to building relationships that lead to success.

Find out why İktisat is the choice in Turkey for more than 1,500 correspondent banks around the world.

Please call Mrs. Nebshat Timur Tokgöz, A.G.M. International Banking Head Office : Boylikdere Cad. No. 165 Esentepe, 80504/ Istanbul Tel: (90) (212) 274 11 11 Fax: (90) (212) 274 70 28

iktisa1

BANKAS

Trade Finance Since 1927

EACHANCE

gaya" portal uren galat Uren trans trans gana gana gana trans gana trans gana trans gana trans gana trans gana trans gana trans gana trans gana trans gana trans t

TOMSES ST.

\$M\$5 + 444 . • .

APANE

SIED.3C

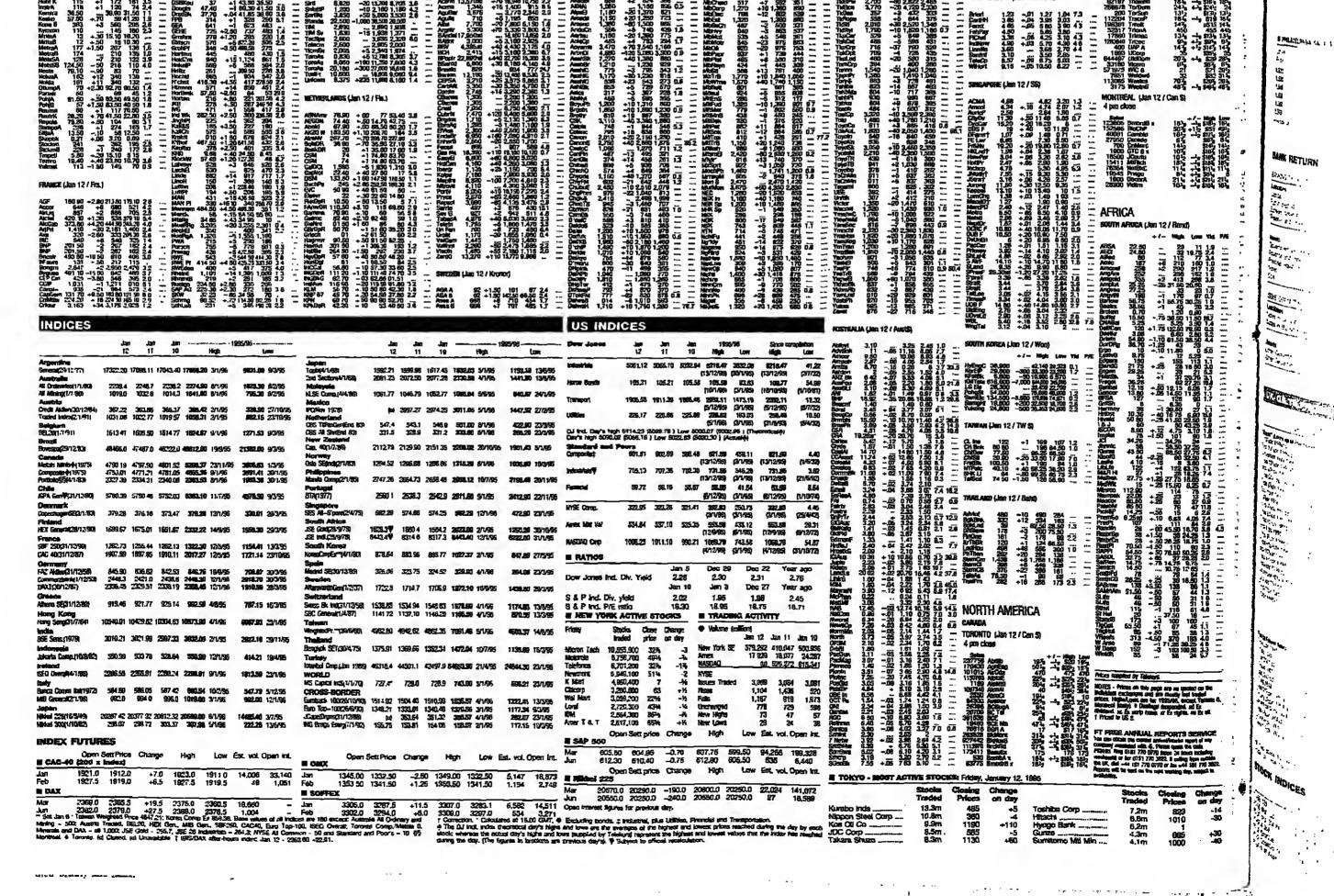
1.1.2

		HEV GIVOR MARINEIS		
+/- High Low Yid P/E Cosino	+/- Nigh Low Yid Mi +/- Nigh Low Yid Mi +/- Rig 163 +2.50 151 20.30 3.9 - Silema 809 +16.50 604.00 632 1.0 - 508 1004.50 -50 122	Low Yid Pre -/- High Low Yid Pre +/- High Low Yid Pre 197.20 3.1 Abachan 141.50 +0.50 181 131.2.3 Dates 1.500 0.1.500 ME	+/~ High Law Yie P/5 +/- High Law Yie P/7 Sales	
EUROPE Cross	163 +2.50 161 132.33 3.9 - Sterme 609 +6.53 100.80 622 1.1 CodeS 1.0 .0 1.0 <	221.10Atimak 253 223 171 0.9 Denning 1557 1700 2.550 0.7 Human 184.60 Atimak 249 -2.50 400 119 50 0.9 Denning 525 550 417 1.1 Houman 174.50 2.1 Atimak 102 125 56.10 2.1 Denning 50 7 500 417 1.1 Houman	+/- 1936 Low Yie P/G +/- 1940 Low Yie P/G +/- 1940 Low Yie P/G 249 1,340 -321,1500 655 State 3.21 3.36 245 76 229 200100 Brook 4 62200 06 4570 4.950 Thr 1.66 12 1210 1.45 8 62502 100 1.450 Thr 1.66 12 1210 1.45 8 62002 100 1.450 Ther 1.66 12 1210 1.450 1.50 1.10 12 0.0202 100 1.450 Weight 12 + 6.17 2.30 3.61 77 2 13250 Common 1.10 770 Weight 26 4.4507 2.40 6.50 2.17 12 0.0202 100 1.450 Weight 26 4.4507 2.40 6.50 2.16 12 0.0202 100 1.450 Weight 26 4.45 15 1530 4.10 1.6 12 0.0202 100 1.450 Weight 26 4.45 15 1530 4.10 1.6 12 0.0202 100 1.1 Weight 26 4.45 15 1530 4.10 1.6 12 0.0202 100 1.1 Weight 26 4.15 1530 4.10 1.6 12 0.020 1.1 Weight 26 4.15 1530 4.10 1.6 12 0.020 1.1 Weight 26 4.15 1530 4.10 1.6 12 0.020 1.1 Weight 26 4.10 2.20 1.6 12 0.020 1.1 Weight 26 4.10 2.20 1.6 12 0.020 1.1 Weight 26 4.10 2.20 1.6 12 0.020 1.1 Weight 20 4.11 7.22 4.55 1.1 12 0.020 Common 20 1.1 12 0.02 0.1 12 0.02 0.1 12 0.02 0.1 13 0.6 1.1 12 0.02 0.1 13 0.6 1.1 12 0.02 0.1 13 0.6 1.1 12 0.02 0.1 1 13 0.6 1.1 12 0.02 0.1 1 13 0.6 1.1 13 0.6 1.1 13 0.6 1.1 13 0.6 1.1 13 0.6 1.1 14 0.40 2.10 1.1 13 0.6 1.1 14 0.00 0.5 13 0	102
Ander 1 non -30 2 Are 1 225 3 4	950 -1 955 38230 14 - Sundak 580 +6 649 540 30 - 06976 10340 +80 103 4150 +6 00 192 13 1.3 - 117638 14750 +30 170 122 24 - 0713 31 80 +30 34 7 500 +16 904 315 2.1 - Thysen 278,80 +320 306 241 22 - Phile 6290 +20 533 51.32 +1.35 541 2359 2.2 - Were 273 +1 220 2594 37 - Paul 62 0270 +46 1042	222.10 — — Astrania 253 — 223 171 6.9 — Darnub 3.652 — 7600 2.650 0.7 — Hiteman 184.60 — Astrania 249 - 250 400.1193 0.9 — Dowardin 500 7600 417 1.1 — Majaria 174.50 2.1 — Astrania 147 2 — 125 66.60 2.3 — Dowardin 500 7600 417 1.1 — Majaria 100 20 2.0 — Astrania 149 - 249 - 250 400 1193 0.9 — Dowardin 500 878 225 … — Mujaria 100 20 2.0 — Astrania 149 - 249 - 254 0.9 — Dowardin 500 01.880 1887 — Mujaria 100 20 2.0 — Astrania 149 - 249 - 254 0.9 — Dowardin 500 01.880 1887 — Mujaria 100 20 2.0 — Astrania 149 - 2473 252 40 — Example 1.25000 1.880 1280 — Majaria 100 20 2.0 — Astrania 154 - 1145 128 2.6 — Frankaria 4.710 - 250 5348 8.650 … — Hefferr 4855 2.8 — Doward 135 + 1 142 128 2.6 — Frankaria 4.710 - 250 4.340 1.200 … — Hefferr	408 +5 425 256 - Tuberik 412 + 420 200 40 172 15625 Condop 2 2020 - 2 100 1.450 - Winds 446 -07 2.40 8.30 24 800 Carado 1 2 2020 - 2 00 1.450 - Winds 48 80 170 25 - 3125 Curicul 17550 - 200 1000 - Winds 16.30 + 15 15.40 4.10 1.6 - 22364 Curicul 1770 -11 1.100 710 - Winds 16.30 + 15 15.40 4.10 1.6 - 12700 Curicul 676 -14 705 50 1.1 - Winds 18.30 + 15 15.40 4.10 1.6 - 12700 Curicul	871 883 85. 187 -1 872 18.
BAAUST 815 802 703 1.2 Company BAAUST 4498 -3 923 430 21 005 BIAUST 4498 -3 923 430 21 005	550	1970 20 - Cust A 125 +1 142 125 24 - femiliet 4,710 -200 5,348 9,650 - Higher 1984 31 - End 231 -4 387 250 43 - Fanue 4,486 +30 4,500 3,700 - Higher 1984 31 - End 231 -4 387 250 43 - Fanue 4,486 +30 4,500 3,700 - Higher	6220 -160 & 5070 4, 800 4	551
Brauly 405 -5 719 400 - Church Gradit 503 -2 851 470 17 - Church	BASO +229950 55 Ving 606 +2.50 60275 475 1.7 Houtenes 47.50 +50 51.2 241.50 +1.50 445 20310 52 W/ 512.50 512.50 5130 019 Baterie 122.20 +1124.3 405.10 -5.10 460.10 355 4.7 W/ PI 37.4 +10 37.50 249 1.1 Barant 90.10 +.30 55.30	1220 122 - 2120 129 - 41821 220 138 - 100022 1200 - 20170 500 0.5 - 100120 10170 13 - 2120 127 + 31,114 647 33 - 10022 1204 + 2012 (2013 100 10010 10180 13 - 2004 107 + 3 100 55 23 - 1000 167 35 35 40 1000 1019 50 13 - 2004 104 - 2004 153 55 14 - 1000 100 - 1000 100 10000	712 +17 752 457 When 3.39 +03 3.40 2.63 41 . 8000 Callered 8000 Callered 813 +3 814 370 1 1010 1 1010	195, 5195, 195, 445, -14, 595, 435
EA Gen 3,300 +25 3,516 2,490 0.4 Critist EVN 1,450 +7 1,510 1,045 1.5 Damant EVN 1,450 +7 1,510 1,045 1.5 Damant	AUG. 10 -5: 10 494.10 303 4.7 - WH PT 374 -10 574 50 282 1.1 - Horn 1 90.10 -30 55.20 307 50 +11 50 455 02 121 24 50 - WH PF 740 +4 1.236 64 1.9 - ROuth 40 +2.2 22 5 307 50 +11 50 456 25 - WH PF 740 +4 1.236 64 1.9 - ROUth 40 +2.70 +70 48.00 390 +15 500 70 300 2.5 - Sub 3.0 50 - GaleBECE (Jun 12 / (Frachman) 746 4.0 756 + 13 266 50 40 +15 800 70 320 - GaleBECE (Jun 12 / (Frachman) 756 + 15 06 56	1007.115 — 6060.107 -3 108 86 28 - 106 67 -1 80 100 -3 55 701 - 1 1000 10750 39 - 6050 108 -20011636 55 28 - 106 7 -11 863 20 1 - 1000 10750 39 - 6050 108 -20011636 55 28 - 10607 -11 863 265 12 - 10607 135.10 601000 152 - 128 29 20 20 - 10007 411 -10 459 285 - 4 1007 135.10 601000 152 - 128 89 25 0 11 - 10007 411 -10 459 285 - 4 1007	835 -17 658 520 - Roke Kows (Jan 12/HJCS) 788071 Cantras 621 -8 781 452 - Kows Kows (Jan 12/HJCS) 180 Cantra 715 - 726 452	164- +12 6199 1642 15
Langing 639 -1 986 536 12 - Dentane Langing 639 -7 505 314 2.2 Dentane Children 364 -7 505 314 2.2 Dentan	3.000 +20 5.00 3.000 2.5	242-072_25	1 900101,140 700 12 Ameriya 0.50 +20 650 620 6.0 73 4850 Canada 5.54 +17 840 363 862460 2810 -1020,45 18,75 25 10 9 300 Canada 1,000 1,139 841 0.8 Beauti 12,19 +1013,391150 968 Cambra	264 + 4 424 265 16/2 + 4 814 76 150 + 4 150 100
BAAust 815 852 702 12 2000 BAAust 815 852 702 12 2005 BLAAS 402 815 559 0757 BLAAS 402 815 559 0757 BLAAS 402 815 559 0757 Draft 923 402 815 970 0747 Orach 923 -2 851 470 17 0748 EA Gan 3.330 +253 5515 2.485 0.4 0748 EA Gan 3.330 +253 5515 2.485 0.4 0748 EA Gan 3.330 +253 5515 2.485 0.4 0748 EA Gan 3.330 +253 5515 2.485 0.4 0748 EA Gan 3.330 +253 5515 2.485 0.4 0748 EA Gan 3.330 +253 5515 2.485 0.4 0748 EA Gan 3.330 +253 5515 2.485 0.4 0748 EA Gan 3.330 +253 5515 2.485 0.4 0748 EA Gan 3.330 +253 5515 2.485 0.4 0748 EA Gan 3.330 +253 5515 2.485 0.4 0748 EA Gan 3.330 +253 5515 2.285 0.5 0748 EA Gan 3.330 +253 5515 2.285 0.5 0748 EA Gan 3.330 +253 5515 2.285 0.5 0748 EA Gan 3.330 +253 5515 2.285 0.5 0748 EA Gan 3.330 +253 5515 2.285 0.5 0748 EA Gan 3.330 +253 5515 2.285 0.5 0748 EA Gan 3.330 +253 5515 2.285 0.5 0748 EA Gan 3.330 +153 551 4.225 0748 EA Gan 3.330 +153 551 4.235 0.325 0748 EA Gan 3.330 +153 551 4.235 0.352 0748 EA Gan 3.330 +153 551 4.235 0.352 0748 EA Gan 3.330 +153 551 4.235 0.352 0748 EA Gan 3.330 +153 551 4.235 0.352 0748 EA Gan 3.330 +153 551 4.235 0.352 0748 EA Gan 3.330 +153 551 4.235 0.352 0748 EA Gan 3.330 +153 551 4.235 0.352 0748 EA Gan 3.330 +153 551 4.235 0.352 0748 EA Gan 3.330 +153 551 4.235 0.352 0748 EA Gan 3.553 +154 553 0.352 0748 EA Gan 3.553 +154 553 0.352 0748 EA Gan 3.553 +154 553 0.352 0748 EA Gan 3.553 +154 553 0.352 0748 EA Gan 3.553 +154 553 0.352 0748 EA Gan 3.553 +154 553 0.353 0748 EA Gan 3.554 -1548 0.353 -1548 0.355 EA Gan 3.554 -1548 0.355 -1548 0.355 EA Gan 3.554 0.355 -1548 0.355 EA Gan 3.554 0.355 -1548 0.355 -1548 0.355 EA Gan 3.554 0.355 -1548 0.355 -1548 0.355 EA Gan 3.554 0.355 -1548 0.355 -1548 0.355 EA Gan 3.554 0.355 -1548 0.355 0.355 0.3556 0.3556 0.3556 0.3556 0.3556 0.3556 0.3556 0.3556 0.3556 0.3556 0.3556 0	Wild Status Status <th>14.10 </th> <th>1 900 -101,140 780 12 Ameriyar 0.50 +20 650 620 5.0 73</th> <th>20. 20. 20.</th>	14.10	1 900 -101,140 780 12 Ameriyar 0.50 +20 650 620 5.0 73	20. 20. 20.
Sheved 166 -2 200 136 3.9 Brage Univ 6 477 +1 727 380 Brage	514 -2 565 400 52 Control 525 -201427 1000 53 V0114 4253 101 44 720 -10 660 629 60 Data 4280 -40 5350 1700 50 V0114 4253 101 44 721 -10 660 629 60 Data 4280 -10 5350 1705 21 V0116 18 15 10 11 44 587 21 -170 4114 306 45 2 Filter 42 50 -10 750 500 15 V0116 48 50 555 319 +12 383 271 Hat 5 555 55 10 11 45	32.50	1050 -10 1080 715 Chilling 4.50 +00 5.50 165 100 Larding 4.50 +00 5.50 165 100 Larding 4.50 +00 5.50 165 100081 Carding 51 +25 52 52 54 50 22 100081 Carding 51 +25 52 52 54 50 22	234 -4 24, 23
BALast Cits Cite State	208 -4 310 17 2.6 - Committe 5,610 -0010,657,770 0.3	18250 1.5	1780 2000 1000	94 90) 01, 277 - 5 25, 274
Whendag 2,100 +85 2,715 1,850 1.9 Europe Europe	1 426 - 3 240 493 41 - 444 40 - 444 40 - 44 12,450 - 40 11,340 10,250 7.2 - 100 1144 (Jan 12 / Kronor) 8.05 - 30 27 13 6.55	25.77 2.5 3.76 -1.72 1.12 -1.78 1.16 5.7 -1.85 678 -1.7 2.00 7.71 -1.16 7.75 2.75 7.71 -1.16 7.75 2.77 <th2.77< th=""> 2.77 2.77 <</th2.77<>	807(000 -4000 1914) 1914 1914 1914 1914 1914 1914 191	143
BELGARN/LEXCEMBOORS (Jan 12 / Frs.) Front	3.900 -50 5 (500 3 (800 2 5 574 5 (2 70 3 (1)) 574 5 (2 70 3 (1)) 759 +15 805 7 (800 2 5 574 5 (2 70 3 (1)) 574 5 (2 70 3 (1)) 716 +17 794 6 (2 8 0 3 2) 500 1 (2 8) 500 1 (2 8) 500 1 (2 8) 206 -4 310 171 2.6 > Contentials 8.610 -00 10.85 7 770 8 3 100 17 2 (3) 500 1 (2 8) 100 10 2 100 10 2 100 10 2 100 17 2 100 17 2 100 17 2 100 10 2 100 17 2 100 17 2 100 17 2 100 10 2	Hrotokov 117.50 +1.60 116 #90	574 -15 601 361 Droging 2.40 3.50 1.90	16"
Actorens 4.975 +5 5,000 3,660 15 _ 672 Almetik 6,740 -60 9,000 7,100 2.6 _ GTMEse Arbed 3,470 +50 4,570 2,720 GMLes Augdin 15,600 18,000 13,200 GMLes	73 60 +1 97.50 60 66	128.10	251 -4 744 551 10000 5210 -1 1210 1265 17 18214 Dominal 816 -9 523 641 110 701 4 32285 Durinal 1,800 -90 530 471 10 701 4 32285 Durinal 1,800 -90 13.30 -20 13.70 8.20 5.1 8.66 11647 Durinal 1,800 -90 13.30 -20 13.70 8.20 5.1 8.66 11647 Durinal 1,800 -90 - - Hardon 8.80 75 9.61 7.10 500 2.50 11647 Durinal 5.01 7.02 2.50 11647 Durinal 5.01 7.02 2.50 1.00 5.01 7.02 2.50 1000 5.01 7.1100 5.50 Hardon 8.30 50 13.20	244, 1000 24 16 - Jan 1616 755 18 - Jan 1618 755
Audim 15,60018,000 13,200	12 12 12 12 14<	19 34 152 540 152 540 15 71 +1.50 157 55 55 (4) - Herein 5400 +00 5520 4.427 - Herein 14700 - 5400 5520 4.427 - Herein 14700 7.1 - Snuth 115.50 -1 142 152 - Herein 5400 - 6515 400 - Herein 121 2.4 - Snuth 115.50 -1 143 153 1.2 - Herein 1.200 - 6515 400 - Herein 122 2.4 - Snuth 122 - 150 114 4.1 - Herein 1.200 - 301 140 701 - Herein 120 114 4.1 - Herein 1.200 - 301 140 701 - Herein 120 144 4.1 - Herein 1.200 - 301 140 701 - Herein 140 140 140 - Herein 1.200 - 500 1140 701 - Herein 1.200 140 140 - Herein 1.200 140 701 - Herein 140 140 140 140 140 140 140 140 140 140	1 10 - 30 1 40 630 Honogo 6850 + 75 (1.30 4.5 (1.5 28 57) 65 600 19 8 403 - 10 830 755 HanbCn 8.30 - 35 940 785 4.5 2.3 97165 600 19 8 418 - 5 501 295 HanbCn 8.92 - 00 715 387 4.5 16300 600 10	13 513 124 154 - 586 255 455 +5 460 455
Bit	104 - 1 400 122 5.5 - 8 40 7 12 4.5 - 5 - 5 2 3 7 20 3 7 10 0 7 0 4 1 4 2 - 1.5 1 1 5 3 3 3 3 - 5 - 5 3 3 3 2 3 - 5 5 3 3 3 - 5 5 3 3 5 3 5 3 5 3 5 3	121 224 225 225 225 225 225 225 231 232 235 31 325 31 325 31 325 31 31 335 325 31 335	558 - 0 552 556 Michiel 10.18 + 25 13.55 A.85 75 188 73153 Euriley 70 - 5 000 480 Michiel 11.50 + 30 12.10 0 90 1.7 75 2500 Euriley 2,500 + 10 2,500 1.800 6.9 - Michiel 150 - 15 561 11.810 4.7 66 12,100 6.50 error	267 529 264 143
Bartco 3,5555 +4553,7201 2,1801 11 - Grintor Baitro 725,375 - 27553,500 11800 118 - Linena Carl 22,575 - 27553,500 11800 118 - Linena Carl 2,2500 - 2558 (2,500 11,200 13 Linena Carl 2,2500 - 2,550 1,550 4.6 - Linena Carl 2,2500 - 2,550 1,550 4.6 - Linena Carl 2,2500 - 2,550 1,550 4.5 - Linena Carl 1,155 +141 1,122 (554 Immiting Carl 1,155 +141 1,122 (554 Immiting Carl 1,155 +110 4,070 3,123 Linena Decome \$,5756 - 110 4,070 3,123 Linena	1641 400 182 5.5 6 Magnén 1040 - 20 3,780 310 Ornoin 142 -1.50 188 33709 555 327 3.9 6 Magnén 18,200 +40 16,580 15,600 2.1 Nachyn 171 -0.5 213 5683 650 4341 3.2 5 magní 18,200 +40 16,580 15,600 2.1 Nachyn 171 -0.5 213 5692 650 4341 3.2 6 Magnén 18,200 +40 16,55 2.2 Heister 177 -0.5 213 5692 650 4341 3.2 6 Magnén 18,2002 10,100 1,100 2.1 Nachyn 171 -0.5 213 5693 650 4341 3.2 6 Magnén 44,0002 1,200 1,100 3.1 Uatil 14 5.2 155 2002 650 4341 1.2 6 Magnén 4,0002 1,200 1,100 3.1 Uatil 14 5.2 15 16 8.0 2003 159 123 3.0 Câr 4603 1,225 1,100 3.3 Nachyn 273 50 220 1,30 10403 1,059 123 3.5 0 magnén 12,453 1,225 1,100 3.3 Nachyn 273 50 220 1,200 2 200 1,200 -200 1,200 4.0 10 1,200 4.0 200	1470 7.1 — Smith 116.50 — 1 32 508.50 3.2 — Henne 5.660 +00 5.20 4.427 Henne 123 2.4 — Secon B 1722 _ 1 463 102 3.2 — Henne 1.100 7.01 Henne 1.21 2.4 _ Secon B 1722 _ 1 50 114 4.1 _ Henne 1.100 - 50 114 0.701 Henne 1.20 124 _ Secon B 1722 _ 1 50 116 3.14 Henne 2.2010 - 10 2.050 1.500 Henne 1.20 2.4 _ Secon B 122 Henne 1.20 1.14 4.1 _ Henne 2.2010 - 10 2.050 1.500 Henne 1.20 2.4 _ Secon B 122 Henne 1.20 1.14 4.1 _ Henne 2.2010 - 10 2.050 1.500 Henne 1.20 2.4 _ Secon B 122 Henne 1.20 1.14 4.1 _ Henne 2.2010 - 10 2.050 1.500 Henne 1.20 2.2 Henne 1.20 1.14 5.1 Henne 1.20 5.2 Henne 1.20 1.2 Henne 1.20 + 10 1.200 1.140 Henne 1.20 1.1 Henne 1.20 + 10 1.200 1.140 Henne 1.20 1.1 Henne 1.20 + 10 1.200 1.140 Henne 1.20 1.1 Henne 1.20 + 10 1.200 1.140 Henne 1.20 1.1 Henne 1.20 + 10 1.200 1.140 Henne 1.20 1.1 Henne 1.20 + 10 1.200 1.140 Henne 1.20 1.140 Henne 1.20 + 10 1.200 1.140 Henne 1.20 + 10 1.200 1.140 Henne 1.20 + 10 1.200 1.140 Henne 1.20 + 10 1.200 1.140 Henne 1.20 + 10 1.200 1.140 Henne 1.20 + 10 1.200 1.140 Henne 1.20 + 10 1.200 1.140 Henne 1.20 + 10 1.200 1.140 Henne 1.20 + 10 1.200 1.140 Henne 1.20 + 10 1.200 1.140 Henne 1.20 + 11 138 52 Henne 1.20 + 10 1.200 1.140 Henne 1.20 Henne 1.20 + 10 1.200 1.140 Henne 1.20 Henne 1.20 Henne 1.20 Henne 1.20 Henne 1.20 Henne 1.20 Henne 1.20 Henne 1.20 Henne 1.20 Henne 1.20 Henne 1.20 Henne 1.20	1,100 -2017260 1027 HK Be 2530 -152820 1946 3.5 - 1550 Full A 340 -5 342 180 HK Tei 14,75 +151870 11.30 3.5 - 3107 Forta	263 529 264 1 145 +4 3141 144 204 824 225 144 +1 224 14 144 +1 224 14 275 +1 224 14 15 4 225 274
Contract 12/200 - 22/8 (2000 11/200 1	1.040 -1 128 122 30 - Carling 1240 -3 1,451 -3 1,252 1,150 3.3 Neurals 1150 +50 222 599 - 345 47,10 5.8 - Crit 1.515 -2,000 1,451 1.3 Neurals 172,50 +50 223 305,21 -1,30 356 50 273 4.9 - Crit 1.515 -2 322 305,21 -1,30 356 50 273 4.9 - Crit 1.520 -22 120 1,537 1.3 Ortical 247 -3 315 4.50 +105 12,55 82,200 4.3 Date 1,520 -22 120 1,537 1.8 Date 277 -3 315 4.50 +105 12,55 82,200 4.3 Date 1,520 -22 120 1,537 1.8 Date 277 -3 315 4.50 +105 12,55 82,200 4.3 Date 1,520 -22 200 1,537 1.8 Date 277 -3 315 4.50 +105 12,55 82,200 4.3 Date 1,500 +105 12,200 8,270 1,57 1.9 Date 277 -3 315 4.50 +105 12,55 82,200 4.3 Date 1,500 +105 12,200 8,270 1,57 Date 277 -3 315 4.50 +105 12,55 82,500 +105 12,500 +105 12,500 8,270 1,57 1,57 Date 277 -3 315 4.50 +105 12,55 82,500 +105 12,500 +105 12,500 8,270 1,57 1,57 Date 277 -3 315 4.50 +105 12,55 82,500 +105 12,500 +105 12,500 8,270 1,57 1,57 Date 277 -3 315 4.50 +105 12,550 +105 12,500 +105 12,500 8,270 1,57 1,57 Date 277 1,	120 22 - Simila 54.59 + 50 54.50 22 00 HC/Ped 22/10 - 10 200 1.300 Heart 00 53 - Simila 125 Simila 125	200 +11 202 202 -10 200 200 200 200 200 200 Destant 7 310 190 -10 2000 Destant 7 310 190 190 -10 2000 Destant 7 110 70 110 71 110 71 110 71 110 70 110 71 110 70 110	12'- 512'- 12'- 19'- 60'- 18'- 9'- 89'- 9'-
Owner 5.756 * 10 4.070 3.125	Stop	128.10 Armah 223 171 2.9 171 1.9 120 120 121 1.4 121 1.4 121 1.4 121 1.4 121 1.4 121 1.4 121 1.4 121 1.4 121 1.4 121 1.4 1220 7 120 1.4 120 1.4	3.50 -300 + 3000 + 300 + 300 + 300 + 300 + 300 + 300 + 300 + 300 + 300 + 300 + 3	
Gill Op 1,346 +6 1,440 1,090 5.0 Legrid GenBag 10,850 +25 10,951 7,000 4.2 Legrid GenBag 1,350 +15 1,000 1,418 2.4 Lycaux	1,348 +131,397,10411.4 Ext 8,400 +156,730 4.301	120 11	1470 -101050 670	8 -1, 56 53 64 -1, 584 64 154 -1, 5154 64
Bef 3.075 - 15 3.200 - 25.2 - 3 - Montex Instanto 2.220 - 5 2.000 1.25 - 4	475300 -5 539 474249 38 - Hairy 2045 -5 47402 2725 17 - 547649 0 + 20 5429 19440 -50 22240 185 17 - Heiry 2045 -5 4760 2725 17 - 557667 44.50 - 90.59 640 - 1075 61 5 63 - Heiry 2048 - 54 402 2725 17 - 557667 44.50 - 90.51 640 - 1075 61 5 63 - Heiry 7 2560 -50 4220 2465 60 - 5 matching 132.50 - 150 134 640 - 1075 61 5 63 - Heiry 7 250 - 65 8.259 4.350 5 - 5 5460 101.50 + 50 125 500 + 50 5155 0 - 150 14 - 5 matching 7,350 - 65 8.259 4.350 5 - 5 5460 101.50 + 50 125 5.000 + 50 5155 0 - 150 14 - 5 matching 38.450 - 40 41.00 558 0 59 - 1 - 15460 101.50 + 50 125 5.000 + 50 238.00 155 81 - Heiry 88.450 - 40 41.00 558 0 59 - 1 - 1040 - 38.50 - 50 11 5.000 + 50 238.00 115 81 - 5 Heiry 88.450 - 40 41.00 558 0 59 - 1 - 1040 - 30 120 - 1 190	ells502.5	1.650 -201.7701.74012 Neteria 1.000 +501010 10 30 45400 Heath 620 +0 640 355 Neteria 340 -20 55.015 65 31 45400 Heath 4.310 130083 Hemiol 4.310 15700 Hengi	18 55 145 154
Michael 6,5007050 5,550 3.9 Day 60 Michael 1,8855 1,900 1,755 Parth Profina 9,070129 9,510 7,930 5.1 Parthe	23:33 +5:10 -3:40 27:53 -5:10 -3:40 27:53 -5:10 -3:40 27:53 -5:10 -3:40 27:53 -5:10 -3:40 27:53 -5:10 -3:40 27:53 -5:10 -3:40 27:53 -5:10 -5:10 -3:10 -1:10 27:53 -5:10 -5:10 -3:53 -5:10 -3:53 -5:10 -3:53 -5:10 -3:53 <t< th=""><th>275 3.4</th><th>Stor </th><th></th></t<>	275 3.4	Stor	
Anneti 6.74000 6000 7760 2.4	396 20 + 62 20 + 55 20 311 7.8 UFL 4.720 + 45 6.910 4.250 2.3	Table Topological Topological <thtopological< th=""> <tht< th=""><th>112 -01 250 11 </th><th></th></tht<></thtopological<>	112 -01 250 11	
RyBerg 8,500 +70 6,040 4,000 3.6 Paug't Stortes 8,780 +50 6,780 5,300 3.2 Paug't Stortes 8,780 +50 6,780 5,300 3.2 Paug't	100 100 <th>Adabr 188 +4 248 180 102 172 -1 725 +1 725 466 100 100 100 100 100 100 100 100 100 1</th> <th>1,759 +3291,74071,130 - Shinifik 5.80 +20 0.70 363 - 500 10 10 10 10 10 10 10 10 10 10 10 10 1</th> <th>17.6</th>	Adabr 188 +4 248 180 102 172 -1 725 +1 725 466 100 100 100 100 100 100 100 100 100 1	1,759 +3291,74071,130 - Shinifik 5.80 +20 0.70 363 - 500 10 10 10 10 10 10 10 10 10 10 10 10 1	17.6
Socia 6,750 7,500 6,160 1.3 Pront d Sofine 15,525 +50 15,900 12,000 4.8 Redich Sofine: 1,930 +20 1,830 1,450 5.4 Rennic	397 +12 404 337 7.2	Adder 188 +4 243 189 _ = 1000 _ 600 +3 100 _ 100 +4 100 _ 200 +3 10 _ 10	" 172 +12 682 425 341 05 213 +00 345 153 47960 Janock 446 +0 2330 1456 64	
Source 36,600 + 400 45,000 33,000 1.3 Revel Trictol 12,625	18210 +2240 16130 12213	Table 1 Portula 100 +4 223 166	2100 +40 2250 1250	
CAT	1780 -10 2 100 1 601 2 3	8750 1.5 Valued 150 4.3.50 170 103 2.80 -10 320 1.807 - 0 nature 775 3.4	1000 -17 1000 100 -10 10000 1000 10000	2612 +14 \$264 255 1314 1919 13 74
C2ECH R69 (Jan 12 / Koruna) C2ECH R69 (Jan 12 / Koruna) CarGpo 170 -2 338 144 2.9 State CarGut 2.510 -5 1,445 133	2.638 -10.2.900 2.472 1.2	Finds 1,545 +101,660 1,210 12	Sign Trial Sign Sign <th>30 +3 20 27 17 -1 517 183</th>	30 +3 20 27 17 -1 517 183
Cardino 170 -2 338 144 249 - Stand Dec 1005 -5 1445 EG5 Stand Coldate 2510 +35 3400 1,785 18 - Schoft Kondinks 1,965 +6 1,900 1,113 3.8 - Set 5A Sopaga 1,850 +25 1,985 865 - Set 5 Sopaga 1,985 865 - Se	In Europe's crowded ski Rockwell Avionics	CS, 145 - 1 20 20 20 13 1 1 1 1 20 20 - 100 13 20 1 1 2 30 0 0 1 1 1 3 30 0 0 1 1 1 3 30 0 0 1 1 1 3 30 0 0 1 1 1 3 30 0 0 1 1 1 3 30 0 0 1 1 1 3 30 0 0 1 1 1 3 30 0 0 1 1 1 1	1,260 -TD 1,260 1,010 1,3 - 224,020 +4 415 237 1,5 - MODONESKA (Jan 12 / Rupitih) 246302 Marting 7,190 -40 7,200 5,701 - MODONESKA (Jan 12 / Rupitih) 24039 Marting 24039 Marting	163 5195 194 107 +- \$195 195 107 +- \$195 195
Senar 1,850 +25 1,965 965 Senar Senar Tabuk 4,450 4,745 2,900 7.8 Solar Side	$\frac{130}{100}$ $\frac{140}{101}$ $\frac{1360}{101}$ $\frac{1360}{101}$ $\frac{141}{101}$ $\frac{1}{101}$ $\frac{1}$	Janning 205 - 700 305 27 - 104 100 - 201180 780 - Sharp Janning 107 - 149 25 28 - 144 179 895 - 01570 780 - Sharp Janning 107 - 149 25 28 - 144 179 895 - 01571 1700 - Sharp	1810 -40 1829 1950	215 -1 225 225 244 555 244
		Larging 100	2.300 -302 2.535 1.000 -302 1.000 -302 1.000 -302 1.000 -302 1.000 -302 1.000 -302 1.000 -302 1.000 -302 1.000 -302 1.000 -302	167 ++ 517 194 114 5114 114 53% +44 44 595
DESIMILABIX (Jun 12/Kr) Simon South So	1315 +11 1355 +11 135 +11 135 +11 135 +11 135 +11 135 +11 135 +11 135 +11 135 +11 135 +11 135 +11 135 +11 135 +11 135 +11 135 +11 135 +11 135 +11 135 11		1,190 +10 1,180 976	21 221 204 5-4 - 5 67 98 84 97 97 85
Cartal 315 +7 316 242 1.1 Synthet Cartal 313 316 242 1.1 Synthet Cartal 313 316 242 1.1 Synthet Cartal 313 316 242 1.1 Synthet	200.40 +6.50 278 16.30 61 - 257 80 +6.10 339 272 17 - 1.590 -00 2745 1.525 21 -	Hanning 399 -7 771 279 Kannikan 335 -2 396 216 Structure Hermer 18.075 +375 17.09 10.025 0.3 - Kannika 312 -3 417 270 Structure Hermer 20.075 +356 8.0456 6.210 0.8 - Kannika 312 -14 875 525 Structure	300 - 302 203	194 510 19 575
Carban 875 +30 1,100 875	語語 - 語語語語語 = in promoting safety	Statis 72,200 +20,24,95 1,560 2.1 - New 1 010 +20 1,500 +20 1,500 - 9 New 1 Statis - 400 - 20 115 2.1 - Kaharan 739 -1 810 545 1.9 - Structure Statis - 725 - 946 550 1.2 - Kaharan 739 -1 810 545 1.9 - Structure Statis - 725 - 946 550 1.2 - Kaharan 739 -1 810 545 1.9 - Structure	1400 - 36 (.1.1 / 23	177 + 517 174 84 - 4 \$80 0 164 \$154 15
DS Sve 154,000 +500 75,000 137,00 0.8 078,00 DS Sve 154,000 +500 75,000 0.4 078,00 DS Sve 160,000 -600 72,000 0.4 0.5 078,00	424 +1 442 335 3.5 - 303.80 -6 416 28.30 - 695 - 540 440 57	Sneder 1206 -51,063 656 12 - Kned 101 -701 -7 254 111 - Some Sneder 1207 -51,063 550 12 - Knen 1,160 -30 1270 661 - Some Sneder 1207 -51,063 550 12 - Knen 1,160 -30 1270 661 - Some	105 -1 755 620	15 5 15 15 15 15 15 15 15 15 15 15 15 15
Diuma 495 +557784 312 - Universit DanOsk 402 +345865 296 3.d - Universit EAsta 116 +1 125 100 7.6 - Universit		Schrift 1205 +351,607 840 23 - Koldyn 270 +202,460 1,370 Samba Schrift 1205 +51,500 860 22 - Koldyn 2,400 -302,560 1,370 Samba Skultr 49 +1 8548,303 1 - Koldyn 2,400 -302,560 1,370 Samba	518 -1 572 531 - Address 5.6 10 15 5.6 40 10 - 20050 Pursue 1.020 -00 1150 730 - CANED 12.00 +10 14.70 7.00 236730 Perce 1.220 -20 1420 992 - CANED 12.00 +10 14.70 7.00 216730 Perce 1.220 -20 1420 992	20 \$20 20 16 \$16 154 04 450 64
FLS 6 450 - 565 425 2.4 - Valid Sthord 436 - 550 380 2.8 - Valid Natur 151 +1 185 1023 Wooms	201 201 - 470 280 (16.10 4.7 "" 240 - 4 272 197,10 5.8 -	Starting 582 4-3 582 4-37 Kontas 762 +10 142 206 Sumthy Starting 760 +20 510 500 27 - Kontas 556 +91 1420 510 Sumthy Starting 750 +20 510 500 27 - Kontas 556	1. (1)	879 + 4 877 849 354 - 2 836 354 857 + 5 887 95
Augr A 201 -10 201 40 -11 - Sonard A Augr A 201 -10 201 40 -1 - Sonard B Banzha 201 +1 -2 25 126 126 - Sanard B Banzha 201 +1 -2 25 126 126 -25 Sanard B Carthan 201 +1 -2 25 126 -25 Sanard B Carthan 201 +1 -2 25 126 -2 - I - I - Sanard B Carthan 573 +16 576 470 0.7 - I - I - I - I - I - I - I - I - I -		Swelfer 457 - 484 305 15 - Known 1448 43 55 255 250 Swelfer Swelfer 221 - 242 166 35 Kurnen 1.100 +10 1.190 510 Swelfer Swelfer 221 - 242 166 35 Kurnen 1.100 +10 1.190 510 Swelfer	333 -2 341 214 Gentling 22.00 +10 27.50 (10.00 0.00	334 +* 5394 324 54 554 554 1112 +4 511 114
	150.50 +1.50 122.50 121 1.1	Statis Aug Constraint Statis Constraint Constraint <thconstraint< th=""> Constatis <thconstrain< td=""><td>467</td><td>145 8146 746 11532 5059 1156 815</td></thconstrain<></thconstraint<>	467	145 8146 746 11532 5059 1156 815
Litznef 825 +41,445 550 0.6 - Alikan NKTAS 286.71 +271 375 250 4.2 - AVA NKSUC 2200 +98.08 2400 1.780 1.8 - Aslan NAKON 770 -7 72 350 0.8 0.4 - Aslan Potagu 250 -9.2 650 2400 2.0 - Aslan Potagu 250 -9.2 650 2400 2.0 - Aslan Potagu 250 -9.2 650 2400 2.0 - Aslan Potagu 250 -9.2 754 50 1.9 1.9 - Aslan	150.50 +1.50 152.50 121 1.1	27m/fg 612 4/ 527 652 21 - Wrazu 709 434 780 510 - 55204 27m/fg 337 41 364 229 - 100 - 100 798 - 10 108 798 - 10 104 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100	1200 -201270 205 - King 8.05 - 8.00 1.9 - 31726 Report 5.090 -2015,000 2,400 - Larger 3.05 - 11.00 4.20 3.4 - 31726 Report 713 -6 745 5.01 - 1444 8.10 -45 5.45 1.2 - 704038 Report	54 -4 54 54 13 -4 504 54 24 -4 504 223
Ranifold 4201 +9,25 421 244.70 1.9 - Attanta Souther 136 +2.20 155 81.50 - Acka Swetten 646 - 25 681 450 - BASP	275 45 20 4998 603 1.5 773 45 940 535 14 3550 49 90 490 535 14	Tagadey (Jan 12/Tk Una) Janco 870 -1 645 478 - Tagadey United 1070 705 - Takina United 1070 - 11070 705 - Takina	2000 +20 2000 1,800 1,600 10 Linder 6.50 +16 4.60 1.48 207376 hop5n8 619 +25 728 336 Heller 625 +25 1,65 1,55 1,25 1,2 30560 hop6n8 1,130 +60 1,150 600 1.5 Heller 22,90 +50 23 1,4 0 0 83560 hop6n8	154
Sophul 641 +6 607.50 455 8.1 Bunw Pt Supris 510.97 +.67 586 375 2.0 Buhant Telebe 303 353 3537 4.0 Bridges	555 46 800 482 24	Auburnt 14.500 +500 14.750 8.200 1.7 Mandal 906 +68 845 470 - Things Archards 8.000 +500 9.871 4.900 1.8 Handba 1.880 +101 551 1.180 Tangan Carde 7.7000 +100 0.000 7.700 0.1 Handba 1.890 +101 55 - 544 496 Tangan	1850 -201850 1076 - Wahmen 215 -12 240 140 34 3506 South 1 1670 -40 1770 1000 Marken 250 +30 153 2.00 3506 South 1 1670 -45 550 50 1000 Marken 230 + 4,18 200 0.2 3506 South 1 766 +5 550 50 46 46 46 46 46 5506 South 1 766 +5 550 50 46	385 45 385 380 2315 45 8255 2314 29 +1 8579 274
Sophisk 641 -25 680 496 0.6 BAS ² Sophisk 641 -46 697.90 495 0.6 BAS ⁴ Suprim 510.97 +42 596 373 2.0 Butwy M Teeloo 303 -393 5357 4.0 Butwy M Teeloo 303 -393 5357 4.0 Butwy M United 300 +10 301.52 12.57 1.3 Butwy M United 275 400 230 2.2 Butwy M	414.200 +90.5 417.200.00 31 - +/- Hugh Law Yai Pris -/- Hugh 33.50 -46 41 32.95 4.0 - Hugh 36.0 -5 1,175 845 - P0977844. (Jan 12/Escupt) 2014 +0.50 838 695 1.8 - Manuffa 880 -5 1,175 -35 2,110 1,075 P0977844. (Jan 12/Escupt) 2014 +0.50 8.50 4.30 9.75 1.0 - Manuffa 880 -5 1,175 -35 2,110 1,075	Kanada 12 7000 + 300 5000 14,750 - Kanada 770 - 787 568 1.9 - 1940 Nanada 18,200 + 300 0,500 14,750 - Mandar 344 -1 350 2778 - 1940 Nanada 18,200 - 1900 Mandar 346 -1 190 1.0 1.0 - 1940	340 45 577 450 571 705 451 1.0 teenteen 16.40 - 20165 50 15.47 5.57 5.57 1.05 50 15.47 1.05 50	151, -1, 515, 15 77, -1, 51, 77, 74
Corridu 2800	190.50 +1.50 152.50 121 1.1	Marting 2233 10 1 1322 2233 10 1 1322 1333 1277 <th1277< th=""> 1277 <th1277< th=""> <th1277< th=""> <th1277< th=""></th1277<></th1277<></th1277<></th1277<>	2.000	atta seren seren seren seren seren seren seren seren seren seren seren seren seren seren seren seren seren ser L. L.
Amer A 99.50 +,30 95,30 84 4.3 Bruth Anter A 140 220 125 14 Bruth	1070 1010 1010 173 175 1010 26	1212 72	866 -12 962 720 RestMar 14.70 +√40 17.80 11 0.9 T0000 Stead tead Stead Stead <th< th=""><th>17 -4 574 125 14 -5 514 135</th></th<>	17 -4 574 125 14 -5 514 135
Cultor 178 -2 164 120 2.5 - Cultor Cultor 179 -1 162 116 2.5 - Cultor Enac A 27.50 +20 41.70 26.50 3.6 - Commute	586 +4220 786 534 26 _ 54 10 10 -7027,00014510 12 - FTeen 3285 +632,000 1198 +11282 970 10 _ 54 8 6,000 -100 9,240 15,35 18 - 50747 3,460 +632,250 347,50 +420,352,0 312 19 _ 54588 6,730 -70 8,660 9,520 18 - 50747 3,460 +532,00 585 +5 579 +652,1 5458 1,700 -20 5,160 8,400 3,20 18 - 50747 3,460 +52,575 +162,600 1		test	61 - 284, 84 43 - 4 334, 372 225 - 4 527, 225
Amer A 98.50 +,10 95.30 44 4.3 Bruch Amer A 140 220 155.3.6 Bruch Cutor 170 221 155.3.6 Bruch Cutor 170 21 152 2.5 Cutor Enter 779 1152 116 2.5 Cutor Enter 779 1152 116 2.5 Cutor Enter 779 1172 26.50 3.6 Cutor Enter 779 10 42 2650 3.0 Cutor Finne A 44 50 41 281 1.5 Data Finne 74 50 50 989 66 Data Finne 74 50 50 989 66 Data Finne 174 50 50 989 66 Data Finne 174 51 Data Finne 174 51 Data Finne 174 51 Data Finne 174 51 Data Finne 174 51 201 3.1 Data Finne 174 51 Data Finne 174 51 201 3.1 Data Finne 174 51 201 3.1 Data Finne 174 115 1120 74 2.4 Deter Hautr K 115 1120 74 2.4 Data	21.65 + 31 22 40 10.60 1 4 546 3,500 - 35 140 2721 3.1 - 751 + 10.07 702 597 31 1 5 - 5157 4,460 - 10 5,904 4,060 2.5 - 594 30 (Jan 12 / Piz.) 515 70 + 12.7 524 392 2.4 - 5757 3.10 - 10 4,905 2.670 4.1 - 594 30 (Jan 12 / Piz.)	JAPAN (Jam 12/Yert) Hittiam 778 218 748 759 6.0	1.570 - 1.570 1.555 1.2 - 1.555 1.2 - 1.5552 1.2 - 4.5552	284
Amer A 98.50 70 95.50 84 4.3 Bruden Bruden Astrop A 140	1371.00 ~A0 205 122 3.0 Setem 3536 ~40 3.045 2.510 2.3 69.15 +.05 73.25 61 65 2.4 SPacia 12,255 ~5 10,00 7,600 3.0 Acom 12,570ad ~70 16,940 1 37 +1 43,53 35.50 Smith 8,123 -20 13,240 8,705 3.6 Acom 12,670ad ~70 16,940 1 47,40 -1 60,300 41,50 3.0 Smith 9 1200 -10 2,160 1,800 4.5 Acom 1,245 +15 1,000 1770 -0,44 18 53 66 9.3	Alamski 1.500 +501,600 P13 Hanola, 610 614 .500 700 700 + Armania 1.170 1220 B53 Hanola 2.450 +10 2.550 1.750 Theorem 0.750 2.2 Anador 626 +2 254 .596 Hochano 517 +7 .552 .551 Theorem 915 85 Anador 626 +2 524 .596 Hochano 517 +7 .552 .551 Theorem 915 85 Anador 1.180 1.580 B55 0.5 Hochano 1.277 +10 .1900 B90 Theorem 2.40 2.0 Anador 1.180 Theorem 78	1,710 -00 1,810 1,800	18 514 18 184 - 1 316 185 244 - 1 316 185
Kamira 36.50	17 20 - 04 41 85 34 80 3.6 - 3.770	340 2.0 _ Alone 1.180 -20 1.370 521 Linches 700 -170 170 170 Thilling	357 +3 452 330 Bunt 122 -01 127 104 73 200 Taska	1.315 6735 1.315

WODID

CTOOV

HEADL/ PHO



£

Open

0.6960 0.6979 0.7025

0.8663 0.8718 0.8845

Open S

0.9632 0.9687

1.5422 1,5410

II SWISS FRANC FUT

I JAPANESE YEN FUT

I STERLING FUTURES

Mar Jun Sep

Mar Jun Sep

Mur Jun Sep

Mar Jun Sep

25

CURRENCIES AND MONEY

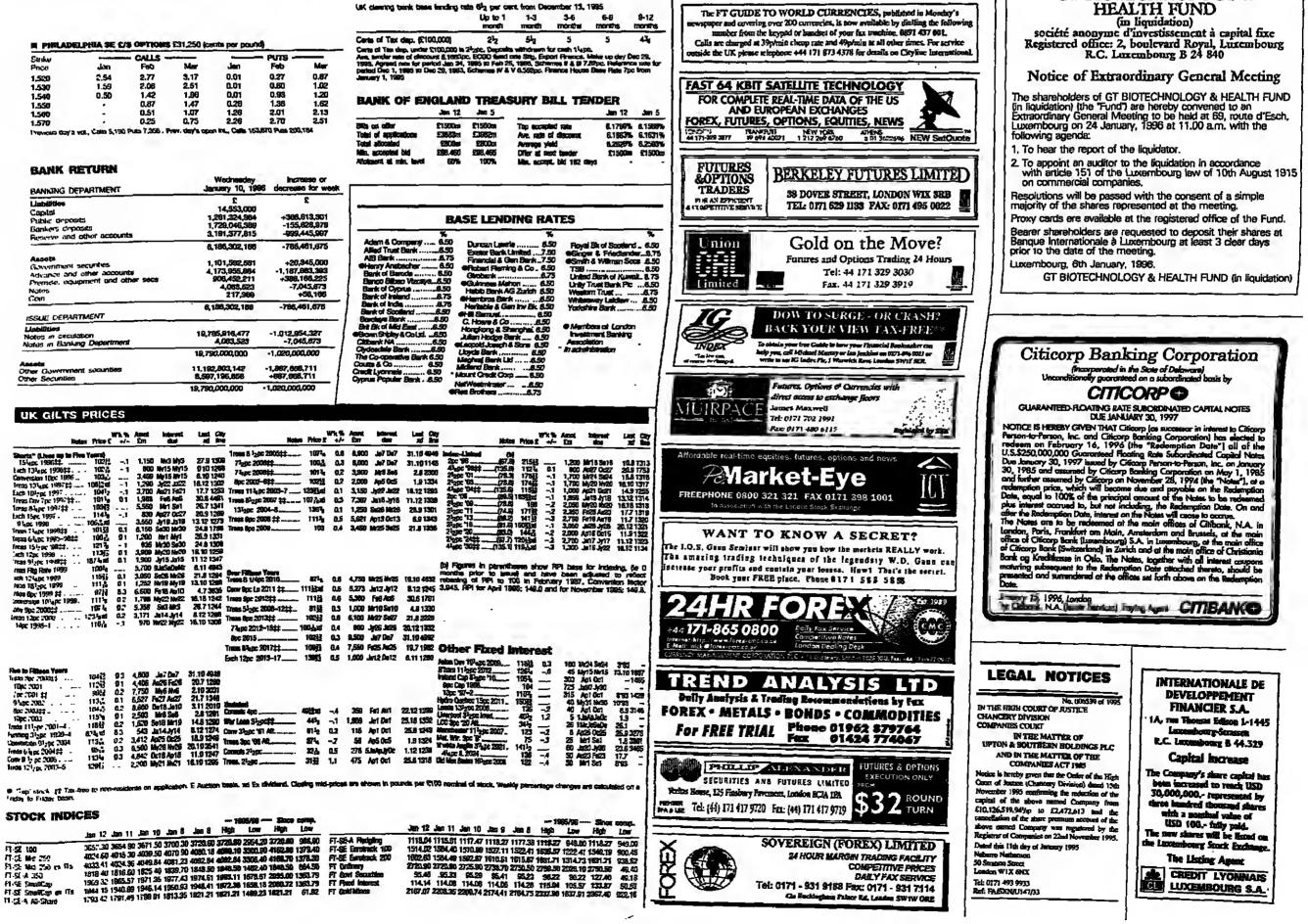
POUND	SPOT FOR	WARD .	AGAINST	THEP	05:00					2	-	DOLL	AR SPO	DT FOF	WARD.	AGAINS	THE.DO	1.43	-					WORLD	INTE	REST	RAT	ES				
Jen 12	Closing mid-point		Bid/offer spread		Mid			ree mont		e yekr	Bank of	Jan 12	-	Cicsing	Change					Three mon			J.P Morgan	MONEY		-					b. Dis.	Repo
Europe				high	low	_	%PA	Reta %	PA Ret	%FA	Eng. Index		_	mid-point	on daty	spread	high to	w Rate	%PA	Rate %	6PA P	iate Mil	A Index	January 12						ine Lomi sor inter		rate
Austria Belgium	(BFr) 15.874((BFr) 45.8135		688 - 824	15.7187	15.6324	15.6311			22		106.4	Austria	(Sch)			285 - 340							.4 106.5	Belgitum		32		32	32 34	32 7.0		
Denmark	(DKr) 8.6192	-	899 - 370 149 - 234	45.9310	8.5932	45.7085			25 44.5		109.5	Belgium Denmark	(BFr) (DKr)			C30 - 200 595 - 725					1.2 2	0.1685 1 5.5785 -0	.5 108.5	week ago France		3% 45	3 <u>7</u> 42	32	3 <u>1</u> 434 -	32 7.00 434 4.4		5.85
Finland France	(FM) 6.7494 (FFr) 7.6361		420 - 587	8.7750	8.7230	6.745			1,3 8.5 0.7	317 1.0	86.8	Finland	(FM)			587 - 862					1.3		L 85.8	week ago		4	45	46		45 4.4		5.85
Germany	(DM) 2.226		336 - 386 279 - 299		7.8163	7.6309				763 0.8	110.4	Franca	(FFI)	4.9358		351 - 361		8354 4.9	-0.8				3 108.8	Germany week 800			30	32 31 51		3)) 5.00 3% 5.00		
Greece	(Dr) 365.78	+2.65	540 - 030	369.318	363,155	2.2237	2.8	2214	27 21	705 2.6	111.2	Germany Graece	(DhQ) (Dh)	1,4407		409 - 410						1.4164 1 54.825 - 7	.7 110.5 8 86.4	trailand		3% 512	311	50	52	5% 5.UK		6.25
iyeland Kaly	(P2) 0.9666 (L) 2434.52		667 - 677 261 - 623	0.9688	0.9642	0.9659	1.2	0.9648	0.9 0.9	613 0.6	97.8	Ireland	65										2 .	week ago		5%	55	5%	5%	55 -		6.25
Luxembourg	(LFr) 45.8135		899 370		2429.36	2442.97	-42 2		4.1 253		71.9	theiry	14			280 - 430							9 T1.4	italy week acc						9 <u>2</u> -	9.00	10.48 10.45
Netherlands	(FI) 2.4072	+0.0111	962 - 981	2.5064	2.4806	2,4913			25 44.8		108.9	Netherlands		29.5115		C30 - 200 138 - 145					1.9 21	1.5858	.6 108.5	Netherlands						376	3.00	
Norway Portugal	(NKr) 9.7889 (Es) 231.253		824 - 954	9 82 19	0 7671	0.000	1.2	9.7573	1.3 8.6			Norway	ONKI			243 - 298							4 87.5	week ago		3%				34 -	3.00	3.40
Spain	(Pta) 187.461	+0.745	082 - 413 379 - 542	231.773	290.813 186.935	231.678	-22 2		2.5		95.7	Portugal	(=)			400 - 540						54.22 -3		Switzerland week ago		13 19				1% 500 1% 5.00		
Sweden	(SKr) 10.1985	+0.0424	908 - 070	10 2228	10.1377	10,2006	-3.1 1		3.1 193. 0.2 10.2	116 -3.0	82.6 87.8	Spain Sweden	(Phi) (SKA		+0.0171	140 - 180						25.785 -3 1.7761 -3	8 82.4	US		54				54	- 5.25	-
Switzertand UK	(SFr) 1.7960 (E)	+0.0064	949 - 970	1.8014	1.7910	1.7887			4.6 1.7		115.6	Switzerland	(SFI)	1,1608	+0.0023	504 - 512	1.1662 1.	1598 1.1	72 3.7	1,1505	3.5	1.1221 3	3 115.2	week ago		5%	5걸	5월		515	5.25	-
Ecu	- 1.2042		037 - 047	1,2085	1.1956	1.2031	1.1	1.2009			53.3	LKK	(2)	1.5472		468 - 475 848 - 850			48 05			1.533 (Japen Week 395		*	*	2	*	1	0.50	
SDR† Americas	- 1.043760		•	-					1.1 1.3	28 0.9		SDRt	-	0.67558		040 - 000	12894 13	2789 1.20	51 -0.3		-02 1	2051 -0		SLIBOR	ET L anda		-		_ <u>r</u>			
	Peso) 1.5463	+0.0010	459 - 487	1 5477	1,5392							Americas	-											Interbank Fi		-	5%	53	52 53	511 - 512 -	-	-
Brazil	(RS) 1.5049	+0.0023	044 - 054	1,5056	1.4984	-	-					Argentine Brezi	(Peso) (RS)	0.9995	-0.0004	994 - 995 726 - 728		9994 9726				- 2	: :	week ago								-
Canada Maxico (New I	(CS) 2.1073 Pesc) 11.5572		064 - 082 391 - 753		2.0887	2.105		2,1029	0.8 20	955 0.8	84.1	Canada	(CS)	1,3821	-0.0041	818 - 823	1,3829 1.	812 1.3	23 -0.1			.3674 -0	4 83.1	US Dollar Ci week apo						.19 -		
USA	(5) 1.5472		468 - 475		1.5400	1.546	0.9	1.5438					iew Peec)	7.4700	-0.055	500 - 800	7,4800 7.4	1600 7.4	22 -0.4	7,4754	-0.3 7	7,4803 -0	1 <u>-</u>	ECU Linked						43		_
Pacific/Middle						1.040	0.8	1,3438	0.9 1.	533 0.9	94.8	USA Pacific/Midd	(S) East/	Africa	-		-			•			· 95.5	wook ago			45	5%		52 -		-
Australia Hong Kong	(AS) 2.0731 (HKS) 11.9629	+0.0056	712 - 750		2.0704	2.0746			1.0 2.0		86.7	Australia	(45)	1,3399		390 - 408			19 -1.8			.3641 -1		SDR Linked week ago	Ds		3 <u>#</u> 3 <u>#</u>	315	3년 346	3, -		-
India	(Re) 55.2720	-0.0206	208 - 231	55 3250	55.1690	11,8558	0.7 1	1,9477	0.5 11.8	212 0.3	· ·	Hong Kong India	(HKS)			317 - 327	7.7330 7.3 35.8100 35.3		29 -0.1			37.65 -5		S LIBOR Imeria	anik ibding ra	and an o	fiered rates	a for \$10m	m quoed w	the market	by four refe	tence banks
laraci Jation	(Shid) 4.8268 (Y) 162.575	+0.0076	217 - 318 491 - 658		4.8141							large!	Shid	3,1198		172 - 224	3.1264 3	165			-	-		at 11gs each Westmaker,								
Malayata	(MS) 3.9646	+0,0163	629 - 662	3.9368		161.74	62 1	80.235	6.6 153.	\$95 5.3	137.1	Japan Maleysia	(Y) (MS)			050 - 110 620 - 630	105,600 104					2.593 -1		Mid rates are a							Inted Depa	outo (Da).
	NZS) 2.3378 Penc) 40.5973		362 - 390 107 - 838			2.3405		2,3476 -	1.7 2.3	717 -1.5	103.3	New Zeelan	d (NZS)	1.5108	-0.0092	103 - 115	1.5149 1.4	5100 1.5				5443 -2		EURO C	UKMEN		7 days	Cone			Six	Dee
Soudi Arabia	(SR) 8.8023	+0.009	008 - 037	5.0053	40.5100			-		: :		Philippines Saudi Arabis	(SR)	26.2400		900 - 900 502 - 504			-		-0.1 3			340 12	terr		notice	mont	-		onthe	year
Singapore South Africa	(SS) 2.2018 (F) 5.6204		003 - 029 183 - 224			-	-	-	-		-	Singapore	(55)	1,4230	+0.0007	225 - 235	1.4256 1.4	220 1.41	95 3.0	1,4135	2.7	1.388 2		Belgian Franc	38 -	- 35	第 . 3%	313 - 3	313 333			3월 - 3월
	Won) 1223.10	-0.46	275 - 345		6.5933 1216.45					: :	-	South Africa South Kora				322 - 532 500 - 600				3.7129 - 3 797.05 -		.9362 -8		Danish Krone			412 - 413		44 44 35 31	· 474 45		4 - 40 31 - 33
Taiwan Thailand	(TS) 42.3525 (Bd) 39.1042		375 - 675	42,3703	42,1960	-	-	-	-	: :		Taiwan	(13)		-0.0295	710 - 780	27,4260 27.	3700 27.36	45 -0.9	27.4345	-0.9			D-Mark Dutch Guilder			312 . 318	313 - 3	3/2 3/2	- 34 3	3 - 3 4	3 3
1 Paten for Jan 11.	Strikeller erreete	in the Drugs	798 - 265 Stort mble at	the second second	Including a state	-		-				Theiland	(81)	25.2750			25.2875 25.					26.46 -4		French Franc	44 -	. 4 2 4	431 - 412	44	412 413	. 45. 41	2 - 44	412 - 43 812 - 87
are implied by sun Mid-rates in both 1	rent internet rates	Starting to	the calculated	by the Ban	a of Englan	A Base of	thrape 190	0 = 100. k	volue relation	d 1/2/95. 19	id, Offer and	1 SDH calls pr	a star Jan	CUTTER INC	rest rates. Li	K, intend 6 E	tot table show on CLI are quoted in	US currency.	JP, Morg	an norminal indi	COBLAN 1	1: Base ave	age 1990-100	Portuguese Es Spanish Peet			8 ¹ 2 - 8 ¹ 2 8 ¹ 3 - 8 ¹ 3	82-1	61 8U	8 8 81 82 81 61 8	2 012	83 85
					cuibis u	LUGING SP	OF HATE	i, jiame ve		nded by the	6 F.T.													Sterling	618 -		6 ₁₆ - 6 ¹ 2		0, 6 ¹ 2	- 6,7 8		6-2 - 614
																								Swes Franc Can. Dellar	134 - 55a -		14 - 15	112 - 1 55a - 1		- 15 13 512 51		5 5
CROSS R	ATES AN	D DER	VATIVE	s												1								US Dollar	516 -	- 51 5	512 - 514	5	57 55	- 5Jg 54	2 5 4	5 ¹ - 5 ¹
EXCHANG																ET	GOLD N	UNES	IND	EX				Yen	104 -	- 104 1	104 10	10 -	101. 10	s-10 10 -1 ₂ 1	3-978 3-13	97 94
Jen 12	E CHUSS BFr	DKr			e 1			-		-	-					_			nig	% of	-		-	Asian SSing	35 -	34	278 - 24		2 2	- 23 23	- 25	21 - 21
Belgium	(BFr) 100	10.67		866 2.1	_			_		_	SFr	2 05	8	*	Ecu			Jan 19	-	Caso Gold I	irose dir		52 week	Short term rate	s are call to	ior the Uf	5 Dollar un	id Yen, pr	Chara. 1WO	days' notice.		
Denmark	(DKr) 53.15			1985 2.1 1.586 1.1								2.183 4.596			2.628			_	2/95 \$5		yield %	_	High Low	-	IONTH P	AIRODO	LAR IN	ASA) \$1m	n points of	100%		
France Germany	(FFr) 58.99 (DM) 20.55	11.29	10 2	918 1.2	266 318	89 3.27	10 12	62 302	9 245	5 13.38	2.352	1.310 2.755	2.028	212.9	1.577			2167.07 +1	13 543	7 100.00	1.55	- 2	208.35 1637.91		Open	Sett prk	ce Char	nge	High	Low	Est vol	Open int.
Ireland	(12) 47,37	3.867		1 0.4								0.449 0.945		72.95	0.540	Africa (16	nai indices D	3010.08 +2	0.3 16.2	5 29.57	3.02	31.54	063.46 2272.74	Mor	94.63	94.64			94.67	94.63	58,654	425,020
Italy	(L) 1.881	0.354	0.314 0	.092 0.0	10	0. 0.10	13 0.4	02 9.49	8 7.70	0.418	0.074	0.041 0.087	0.064	6.678	0.049	Australian	a (3)	2566.14 +1	2.9 5.7	12.33	1.87	41.75	732.51 1788.20	Jun Sep	94.87 94.99	94.96 85.04			94.97 95.06	94.91 94.99	58,989 58,929	413.122 264.263
Netherlands Norway	(FT) 18.35 (NKr) 46.80	3.452		.893 0.5 277 0.5								0.400 0.844			0.482		erica (12)	1854,44 +1			0.73		943.53 1348.18								30,029	con,203
Portugal	(En) 19.81	8.726	3.301 0	964 0.4	18 10	59 1.06	10 4.2					0.432 0.911			1.230	Thread Lin	t, The Financial T milliot Pigures in b	molete show	number of	Companies, B		College, Base	Voluet: 1000.00	E US TREA	FURY BU	LL PUT	URBS (M	BA) 51m	n per 1004	6		
Spain Swaden	(Pte) 24.43 (SKr) 44.91	4.597 8.450		189 0.5								0.533 1.124			0.642	31/12/22	DOHETATLENT	CHANGE W	TH BARE	T 18/1/86: De	diation: H	omenadae (old of Automate	Mer	95.12	B5.10			95.14	95.10	323	7,555
Switzerland	(SFr) 25.51	4.799		.165 0.9								0.980 2.080		159.A 90.53	1.180	V-LIN (Jun	95.37	95.39			95.37	95.35 95.46	292 38	5,524
UK	(£) 45.81	8.918		229 0.4								1 2.107			1.204									Sep Al Open Intern	95.47	95.44			95,47	93.40	38	214

Jen 12		BFr	DKr	FFr	DN	HC.	L		NKr	Es	Pta	SKr	SFr	£	CS	\$	¥	Ecu.	
Belgium	(BR)	100	10.87	18.67	4.866	2.111	5319	5,451	21.37	504.8	408.3	22.27	3.921	2,185	4.500	3.377	354.8	2.628	
Denmark	(DKr)	53.15	10	8.850	2.586	1,122	2825	2.897	11.38	268.4	217.5	11.83	2.084	1.160	2.445	1.795	188.7	1.397	
France	(FFr)	59.99	11.29	10	2.918	1.266	3189	3.270	12.82	302.9	245.5	13.38	2.352	1.310	2,759	2.028	212.9	1.577	Gold Mines. Jack
Germany	(DMI)	20.55	3.867	3.426	1	0.434	1082	1.120	4.382	103.6	84.12	4.576	0.806	0.449	0.945	0.664	72.95	0.540	TE Regional Indi
Instand	(12)	47,37	8.913	7.897	2.305	1	2518	2,582	10,12	239.2	103.9	10.55	1.857	1.094	2.179	1.600	158.1	1.245	Airies (16)
Italy	<u>د</u> ە	1.881	0.354	0.314	0.092	0.040	100.	0.103	0.402	9.499	7.700	0,418	0.074	0.041	0.087	0.064	6.678	0.049	Australia (6)
Notherlands	ምን	18.35	3.452	3.058	0.893	0.387	975.2	1	3,920	92.68	75.00	4.085	0.718	0.400	0.844	0.620	65.12	0.482	North America (1
Norway	(NKr)	46.80	8.805	7.801	2.277	0.998	2487	2.561	10	236.3	191.5	10.42	1,835	1.022	2,152	1.580	185.1	1,290	
Portugal	(Es)	19.81	8.726	3.301	0.964	0.418	1053	1,080	4.232	100.	61.05	4,410	0.778	0.432	0.911	0.669	70.30	0.521	Copyright, The I
Spain	(Pta)	24.43	4.597	4.073	1,189	0.518	1299	1.332	5.221	123.4	100.	5,440	0.958	0.533	1.124	0.825	88.72	0.642	31/12/12 DONE
Sweden	(SKr)	44.91	8.450	7,486	2,185	0.948	2387	2.448	9.597	226.8	183.8	10	1.781	0.980	2.086	1.517	159.4	1.180	(Australinsic)
Switzerland	(SFr)	25.51	4.799	4,252	1.241	0.538	1356	1,390	5.450	128.8	104.4	5,679	1	0.557	1,173	0.681	90.53	0.670	
UK	(23)	45.81	8.018	7,636	2 229	0.967	2435	2.497	9.789	231.3	167.5	10.20	1.798	1	2,107	1.547	162.6	1,204	
Canada	(CS)	21.74	4.091	3.624	1.058	0,459	1158	1.185	4.648	109.8	88.99	4.841	0.852	0.475	1	0.734	77.17	0.571	
US	S	29.61	5.571	4.936	1.441	0.625	1674	1.814	6.326	149.5	121.2	6.593	1.181	0.648	1.362	1	105.1	0.776	
Japan	m	28.17	5.301	4,698	1.371	0.595	1498	1,556	6.020	142.3	115.3	6,273	1.105	0.815	1,298	0.951	100	0.740	LONDON
Eev	•••	38.05	7,159	6.342	1.851	0.803	2022	2.074	8.130	192.1	155.7	8.472	1.492	0.831	1.750	1.285	135.0	1	Issue Anz 1
Danish Kroner, Pren	ich Fran												1			1200	1	•	price paid
																			- FP. - FP.
																			FP.
-	-	-								-									- F.P.
D-MARK PUT		(round)	M 125,00	In bel, Div		_			_					_	_	_			50

s (MM) DA	125,000	per DM											- FP. - FP. - FP. - FP.	55.5 14.0 13.7 25.8	113 80 80	108 Cex Inn 52 †Crown 73 †Dreated 73 Jupiter 5
Sett price 0.6957 0.6989 0.7020	Change -0.0005 -0.0005 -0.0005 MJ SFr 125	High 0.6978 0.7007 0.7025 5,000 per 5	Low 0.6937 0.6972 0.7020	Est.voi 19,338 43 145	Open Int. 57,368 3,094 1,848	E Possed in New Jan 12Close £ sput 1.5465 1 odt 1.5453 3 mili 1.5451 1 yr 1.5522	fn	iv, climi 1.5445 1.5439 1.5411 1.5302	The liste	T Guide to	OFILD CUR to World (and on the today's ed	Emerging	12. 12. 12. 12. 12. 12. 12. 12. 12. 12.	53.8 58.0 8.51 8.59 0.13 7.07 3.15		96 ¹ 2 Jupiter 1 556 Jupiter 1 1, tMounte 75 With P 8 TOo Win 100 Thevelat 3 TRuster
0.8667 0.8745 0.8820	+0.0001 +0.0001 +0.0001	0.8692	0.8636 0.8716 0.8845	12,841 21 4	40,055 833 88							_	- FP 133 FP. FP.	0.85 47,9 180.1	71 ₂ 143 260	8 ¹ 2 TSiyaPt 133 Unicom 213 Vicines
TURES (MM) Yen 12.5 per Yen 100					UK INTERES	ST RAT	ES			_		+ F.P. † Alamative in Share Service :			125 Within . For a full expl	
Sett price 0,9582 0,9708	Change -0.0039 -0.0040	High 0.9625 0.9738	404 0.8562 0.9660	Est.vol 14,749 259	Open int. 77,423 3,108	LONDON MO Jan 12	Over-	ATES 7 days notice	One	Three	Site months	One				
0.9817 IS (IMM) £1	-0.0042 \$2,500 par	£3	-	15	477	Interbenk Stecing Stanling COs Toward Bills	651 - 6	64 - 63	64 84 62 64 64 64	612 - 672 612 - 812 614 - 82	63 - 64 64 - 64					
1,5408	+0.0010 +0.0010 +0.0014	1.5484 1.5420 1.5400	1.5378 1.5410 1.5350	5,252 4 4	38,599 123 5	Bank Bills Local autorby deps. Discount Market deps	612 - 654 612 - 814		63 64 62 63	61 - 64 62 - 63	64 - 64 64 - 64	6 ¹ 2 - 8 ¹ 4				_
						UK classing bank bias	tending te		trom De	center 13.	1995	£.17	The FT	GUE	ETO	WORLD

*

NDON RECENT ISSUES: EQUITIES Amt Mict, paid cap up (Cm.) **RIGHTS OFFERS** Cica price P Cleains price paid up Latest Renun, date 15/2 24/1 29/1 29/1 13/2 19/1 High Low 232 125 110 Century Irre 113 106 Cox Insistence 60 52 Crown Prod High LOW 119 13 27 12 12 19 14 75 B Persona Raceomes SWP Group Seaficki Hee †StoyePharma Sutoliffe Speci 27pm 6¹2pm 1¹2pm 22pm 5pm 3pm 24pm 27pm 9pm 21₂pm 22pm 54pm 4pm 25pm 26pm 5pm 112pm 19pm 342pm 2pm 254256425 2222222 1(7.24 7.24 - 92 - 02 100 3¹2 7 143 260 135 WV5.5 2.2 4.8 11.9 Lv3.8 2.4 1.7 30.4 n inii FT CITYLINE Fax and Telephone services from FT Call 0171 873 4378 or +44 171 872 4378 (b .. · · · · **GT BIOTECHNOLOGY &**



. aan oo waxaa ahaa ahaa ahaa da -

- - -

. -- -

-

·- ·

. <u>1</u> -.

	LONDON SHARE SERVICE		4	
ALCOMOLIC BEVERAGES CHEMICALS ELECTR Notes Price change net core, part of the Alfred Carry White Dro Devidencia Last City Notes Price change net core, part of the Alfred Carry White Price change net core, part of the Alleed Donacci, AnWC 3244 - 51 31.3 0.9 Feb Jul 412 1805 AGR SV	CONIC & ELECTRICAL EQPT - Cont. EXTRACTIVE INDUSTRIES - Cont. HOUS With Die Die Die Diedents Las City Hote Price chrone net core, paid of bre her heter Price chrone net core, paid of bre 1012 2301256 19 Jan Den 011 2288 Permanent 1012 12 2301256 19 Jan Den 011 2288 Pe	SEHOLD GOODS - Cont. INVESTMENT TRUSTS - Cont. W14, Da Div Dividencia Loss Cuty W14, Da Div Dividencia Loss Cuty W14, Da Div Dividencia Loss Cuty Notas: Price chops and core maid al live Notes Price chops and core maid al live Notes Price chops and core maid al live Notes Price chops and core maid al live Mass: Price chops and core maid al live Notes Price chops and core maid al live Notes Price chops and core state 114, 2771 Contant_Ative: 700 -2.9 10.5 3.7 Jun Got 24 9 1004 Greenture 14 - 0.0 Ma New 700 5.2.3 11/0 2780 Contant_Ative: 700 -2.9 10.5 3.7 Jun Got 24 9 1004 Greenture 4.2 - 0.0 - 0.0 Ma New 700 25.5 (10 2780 Contant_Ative: 700 -1.200 Ma Price 24 9 1013 1200 Minates -4.2 - 0.0 - 0.0 Minates -4.0 - 0.0 Minates Contant_Ative: 700 -1.200 Minates -3.0 Minates -4.0 - 0.0 Minates -4.0 - 0.0 Minates		
Witk, Dw <	Hold 1.6 1.0 <td></td> <td></td>			
WTX5 Div Div <thdiv< th=""> <thdiv< th=""></thdiv<></thdiv<>	L 351 41 -21 247 - Feb Seg 7.8 aft23 Generar troit 5	Nome Alexand Dial		
Banks, RETAIL Artal 21 artal 23 artal <th23 artal<="" th=""></th23>	3 31 31 23 24 24 25 23 256 23 236 24 23 236 23 236 23 236 23 236 23 236 23 236 23 236 23 236 236 23 236 <td>Bit Bit Bit<td></td></td>	Bit Bit <td></td>		
Write Div Div Other Middends Last Car Wites All 27 1.0 27 Mage More Car More <	Star Star <th< td=""><td>Test Test <th< td=""><td></td></th<></td></th<>	Test Test <th< td=""><td></td></th<>		
Benk Schland	Million of the second			
Example: Example:	Active Control Control <thcontrol< th=""> <thcontrol< th=""> <thco< td=""><td>Start Start <th< td=""><td>i .</td></th<></td></thco<></thcontrol<></thcontrol<>	Start Start <th< td=""><td>i .</td></th<>	i .	
Sumitive Tel 1	27 33 68 74 350 74 22 28 74 22 28 74 22 28 74 22 28 74 22 28 74 22 28 74 10 33 24 10 10 370 54 11 10 370 54 11 10 370 54 11 10 370 54 11 10 370 54 11 10 370 54 11 11 12 10 370 54 11 11 12 10 170 11 31 11 12 12 137 13	S0 S1 S1<		
Ascon Hotigs	134 -13 k1 4.2 Apr. 23 k1 4.2 21 100 10	STEMENT TRUSTS Horizant		
Bodilington	Attach Trand -1.7 Ball 22 and bas 11.1 22.0 18.4	Strict Stric Stric Stric <td></td>		
Pattern	Arrow Arrow <th< td=""><td>115 </td><td></td></th<>	115		
Tates Bors		Incare 1 <td>,™<u>(</u>), An the state of T</td>	,™ <u>(</u>), An the state of T	
Grig Cir Pinnen Cir Ci		2005 22 -28 -131 -544 -26 -33 -454 201 -26 -34 33 -46 -26 -144 -27 144 -27 144 -27 144 -27 144 -27 144 -34 -35 -35 -36 -34 -36 -34 -36 -34 -36 -34 -36 -34 -36 -34 -36 -34 -36 -34 -36 -34 -36 -34 -36 <t< td=""><td></td></t<>		
Beiter inner 1, 24 - 1 (25) 24 mar 407 110 520 Thung 00	Affino Official III IIIIIIIIIIIIIIIIIIIIIIIIIIIIIIIIIIII	Art Br Art Br B		
Construction 41 21 63 200 675 200 677 313 33 0.5 0177.3 1.8 1800 Methods Clasted (1) 42	And Provide Action And Pro	Bit Bit <td></td>		
Saturdar At-0 7 -5.6 1.0 0.5 April 100 200 April 100	Thi Constraint Constant Constraint Constraint	18. 2.4 Jun Auf Oct 2727 6 27.4 Jun Auf Oct 2727 18. 2.4 Jun Auf Oct 2727 Schwoder UK Colspan="2" 181.7 2.4 Jun Auf Oct 2727 18. 1.1 Jun Auf Oct 2727 Schwoder UK Colspan="2" 181.7 2.4 Jun Auf Oct 2727 Schwoder UK Colspan="2" 101.7 2.4 Jun Auf Oct 2727 Schwoder UK Colspan="2" 302.4 -2.44 -2.44 -2.44 -2.44 -2.44 -2.44 -2.44 -2.44 -2.44 -2.44 -2.44 -2.44 -2.44 -2.44 -2.44 -2.44 -2.44 -2.44 -2.45 -2.45 -2.45 -2.45 -2.45 -2.45 -2.45 -2.45 -2.45 -2.45 -2.45 -2.45 -2.45 -2.45 -2.45 -2.45 <th co<="" td=""><td>SEATMENT I ARTIN II.</td></th>	<td>SEATMENT I ARTIN II.</td>	SEATMENT I ARTIN II.
Dovel 1/10 Time	- 2710 772 - 8 12.51 3.0 Apr Det 24.7 4016 Universe W F	977 - 470 284 at -28 8.4 Jan 741284 12 00 5 5 00 21.4 12 0 12 0 12 0 12 0 12 0 12 0 12 0 12		
Retent (op	Alton Trial Law Link Discrete Alton Alton <th< td=""><td>And Statistics Statistics</td></th<> <td></td>	And Statistics Statistics		
Winteront, 111 1111 111 111	1971 427d -5 18.1 1.7 Feb 0cf 8.1 4410 AFIA Heathart	Warrants 19 11.6 17.9 5.500 Thronourism 15		
WP-6. Dir Dir Dungkends List Dir	Arty 300 -1.4 113 2.7 Mary Nois 2.10 4.43 4.43 4.43 4.43 4.43 4.43 4.43 4.43 4.43 4.43 4.43 4.43 4.43 4.43 4.43 4.44 4.43 4.44 <	Main Main <th< td=""><td></td></th<>		
Ind Unredning y 125 145 228 145 146 146 1000 Series and the serie	Brain III. Brain IIII. Brain IIII. Brain	PP/ 7 3-34 - 0.17 362 Warman 0 Main 4-01 342 0.7 - 0.28 - 0.68 Prove 2470 270 - 107 105 Jan Oct 270 - 1082 Prove 2470 270 - 107 105 Jan Oct 270 - 1082 Prove 2470 270 - 107 105 Jan Oct 270 - 1082 Prove 2470 250 17 Apr Ser 100 477 105 Jan Oct 270 - 1082 107 301 100		
Λ ψ 34 7.4 A.03 30 Approduct 10 a deficit 10 a deficit <td>1780 -17 10 0 10 100</td> <td>Notes Price <th< td=""><td></td></th<></td>	1780 -17 10 0 10 100	Notes Price Price <th< td=""><td></td></th<>		
Heighn E 70 107 17 04 Apr 747 144 040 pp 74 142 21 21 21 23 100 27 2071 EXTRAC Hymetrian 100 31 125 100 227 110 23 110 26 611 25 261 110 25 611 25 261 110 25 611 25 261 110 25 611 25 261 110 25 611 25 26 617 25 27 110 25 211 23 110 25 211 23 110 25 211 23 110 25 211 25 211 25 211 25 211 25 211 25 211 25 211 25 211 25 211 210 27 110 25 211 25 211 25 211 25 211 25 211 25 211 25 211 27 211 25 2117 211 211	Strategy 17 <th17< th=""> 17 17 <t< td=""><td>201 - 4 126 Dec 193,227 Oct 19 12 0 0 0 1 1 1 2 0 0 0 0 0 0 0 0 0 0 0</td><td>AND TE</td></t<></th17<>	201 - 4 126 Dec 193,227 Oct 19 12 0 0 0 1 1 1 2 0 0 0 0 0 0 0 0 0 0 0	AND TE	
(actual)	4440 23 40 70 80 8000 1500 60 00 <	Start Start <th< td=""><td></td></th<>		
Article Article	Trive INDUSTRIES Immin 0 we have been set of the	Sec Sec <td>1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1</td>	1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1	
Backet A+po Sign - 1 C2 2.1 Additions - 0.11 C2 2.2 Main Bace Additions - 0.11 C2 C2 Main Bace C2 <	402 -10 400 17 -10 17 -10 17 -10 17 18 17 17 18 17 17 18 17 17 18 17 17 18 17 17 18 17 17 18 17 17 18 17 17 18 17 17 18 17 17 18 17 17 18 17 17 17 18 17 17 17 18 17 17 17 17 17 17 17 17 <	TD Md.42 Eg1.8 0.5 Sep 312 7.8 ATTO 30 1.1 1.2 <td></td>		
Wolscher \$44C_ 447td -56 9.6 30 Jou Jad (1.12 4528 NGC 1	1497153 149186 1.0 Fok Mang 23.12 ProsT 194 -13 426 31 Apr 02 73 201 Brend Dunka 711 7.4 - 1 1786 2009 A 194 -5.1 426 32 Apr 02 23.0 3008 Good State			

26

*

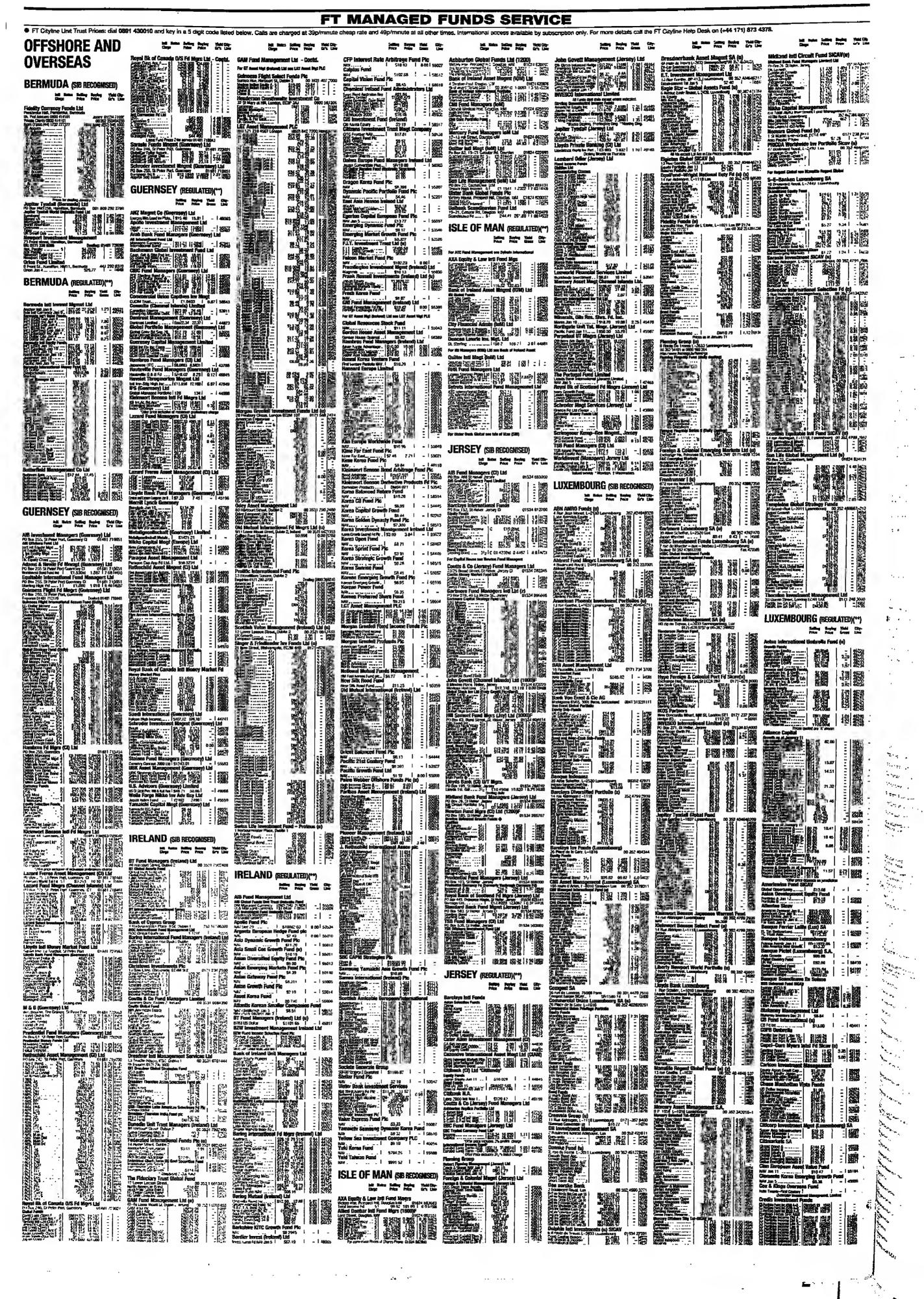
Ξ. 2

 $\widehat{}$

LONDON SHARE SERVICE INV TRUSTS SPLIT CAPITAL - Cont. 2.0 Mary Bar 17 Oct 17 Oct 43 43 14 154 154 1.4 0.9 또 [11] [4 전 전] 승] 승의 문입으로) 더 그는데 유해 현 면서 Gittpangela 8.10 3.34 Mar 27.10 4.35 Mar 27.10 1.5 Mar 27 21,11 1744 16941 7945 2945 2845 2845 2845 2845 2745 2745 1412 3016 292 2410 4.1 31,10 2515 248,257 248,257 248,257 441 248,257 4411 248,257 4411 2412 2411 2412 2412 2 Dividendis Last City pati zd Bar 4 Jaka, Vo. 2110(17) 5 refshjetiv (22:00) 4 Jaka, Vo. 22:00 -5 Jaka, Vo. 2012 (10:30) 4 Jaka, Vo. 2012 (10:30) 4 Jaka, Vo. 2012 (10:30) 6 Jaka, Vo. 2012 (10:30) 6 Jaka, Vo. 2012 (10:30) 6 Auto, Vo. 2012 (10:30) 6 Auto, Vo. 2012 (10:30) 7 Jaka, Vo. 2012 (10:30) 7 Dir (pross \$1.32 \$1.32 \$1.20 \$

image: second	403 400 <th>Shareholder Helpline 0 1 7 1 4 9 0 5 2 0 0 Staffed from 9am to 6pm 7 days a week The Directors of Granada Group PLC accept responsibility for the information contained in this advertisement. To the best at their knowledge and belief flaving tytics all reasonable care to insure that such is the case), such information in accordance with the facts and does not omit anything likely to atfect the import of such information. "Granada Group PLC accept responses the fact to and costs not omit anything likely to atfect the import of such information. "Granada Group PLC resorves the fact to increase or otherwise amend the increased Offer should a</th> <th>TOBACCO</th> <th>4586 Anglo Am Ind13133 2728 2.4 (Dec Apr 333 4513 Ballow 123 2.4 (Dec Apr 333 4503 Robit Prop R123 2.0 (Dec Apr 333 </th>	Shareholder Helpline 0 1 7 1 4 9 0 5 2 0 0 Staffed from 9am to 6pm 7 days a week The Directors of Granada Group PLC accept responsibility for the information contained in this advertisement. To the best at their knowledge and belief flaving tytics all reasonable care to insure that such is the case), such information in accordance with the facts and does not omit anything likely to atfect the import of such information. "Granada Group PLC accept responses the fact to and costs not omit anything likely to atfect the import of such information. "Granada Group PLC resorves the fact to increase or otherwise amend the increased Offer should a	TOBACCO	4586 Anglo Am Ind13133 2728 2.4 (Dec Apr 333 4513 Ballow 123 2.4 (Dec Apr 333 4503 Robit Prop R123 2.0 (Dec Apr 333
Wil and, when anything by Halfvert Securities (Lenter as a public only See guide to London Starry Service INVESTMENT COMPANIES Wh. % Div Devices Holes Price citings and public		Competitive atuation arise or should the Panel on Takeovers and Mergars so agree.	VITS Div Div Dividends Last Notes Price drags act cox, public at BAT Inds,	GUIDE TO LONDON SHARE SERVICE
INVESTMENT COMPANIES Notes Preschogo unt pride Apentian Enderware 3:: P1 -0825 Burger Darystallis P2 P1 Burger Darystallis P2 P2 Burger Darystallis P2 P2 P1 Burger Darystallis P2 P2 P1 Burger Darystallis P2 P2 P1 P1 Burger Darystallis P2 P2 P1 P1 Burger Darystallis P2 P2 P2 P2	All Law Construction		TRANSPORT WAS DV DV DMdends Las Nate: Provide the provi	CULPE TO LOCHEON SHARE SERVICE Special probabilities are shown of the special probabilities are special unless
inst Chaom	Mary 14 1923 Johnson (1)	Amount Pipe La La <thla< th=""> La La</thla<>	2000 Denid Glass	The for up-to-the-second onems prices call FT Cityline on 244 0336 45 or 0391 43 followed by the four-digit code listed 254 after the share price. Calls charged at 35p per minute 155 cheep rate and 45p per minute at all other times. 157 An international service is swallable for callers outside the 158 UK, annual subscription 2250 stg. - Call 0171 873 4378 for more information on FT City. 258 For readers phoneing from cutside UK, places cial +44 159 the first 0.

and the second states



..

1999 - 19

- -- .

....

•- / · •

FINANCIAL TIMES MONDAY JANUARY 15 1996

	FT Cityline Unit Tust Prices: dial 0891 430049 and lumines an
	Credits interesting frames - Credits in the Standard Stan
-	With and Partial Format (a) States
	Image: Second line line Image: Second line Imag
A)	Transmissional functional functio
	And Partial And Partial
57 000 870 801 801 802 803 803 803 803 803 803 803 803 803 803	
and the second second second second second second second second second second second second second second secon	
ļ	

· · · · ·

.....

.

.

· --- .

..

. -- .--

• .

14 A. A. A.

a second a second a second a second a second a second a second a second a second a second a second a second a s

.. . -

STATE OF

NEW YORK STOCK EXCHANGE COMPOSITE PRICES

·· -

	19950%6 Y10. P/ See Coryse 19950%6 Y10. P/ See Coryse High Lew Stack Dh % E 1000 High Lew Daths Clow High Lew Stack Dh % E Coryse 1 1 1 1 2 1 % E Coryse 1 1 1 1 2 1 % % E Coryse 1 1 1 1 1 % % Coryse 1 1 1 1 1 1 1 1 1 % 1	² g - ² γ 51 ³ 11 ³ Cutom 6.00 17 27 69 47 ³ 47 ¹ 27 ¹ 27 ¹ 27 ¹ 47 ² 2640850 2 286 37 ³ 3 ³ 3 ³ 3 ³ 3 ⁴ 3 ⁴ 4 3 ⁴ 4 ⁵ 24 ⁵ 34 Cutom50 100 27 6 1311 384 37 ¹ 37 ¹ 3 ¹ 3 ¹ 16 6 ³ 64404 50 31 71 73 73 73 73	La 64, 12 Namana En 003 12 31 467 21 21 21 21 21 21 21 21 21 21 21 21 21
	442,304,40000. v 0.84 2.1 1912/53 413,403,4012 3,4 445,273,680 4 0.32 1.0 16 253 4.21,411,42 1074,1240000. v 0.84 2.1 1912/53 413,142 145, 14, 373,680 4 0.32 1.0 16 230 334,525,55 3312,214884 md 1 0.70 2.5 15 51 251,4281,524,45, 172,134,4400000 10,0 2.5 15 51 251,4281,555,55 55 46,573,4024,417 555 255,255,255,255,255,255,255,255,255	*4 5.4 5.5 <td>+ 4₀ 663₀ 505 km/morgan 0.08 0.0 23 35 95 95 95 95 95 95 95 95 95 95 95 95 95</td>	+ 4 ₀ 663 ₀ 505 km/morgan 0.08 0.0 23 35 95 95 95 95 95 95 95 95 95 95 95 95 95
	942 * 10 4 Activitients 090 9.9 2* 040 09 948 100 042 8000 1997 1997 040 44 21 20 678 948 93 9 234 104 Activitient 200 9.9 2 2* 043 2.9 103 173 103 44 35 12 681 809 10 2524 143 133 13 384 * 78 Activitient 200 9.7 256 5 14 842 824 44 778 24% 2681 809 10 2524 143 133 13 345 78 Activitient 200 9.9 24 143 133 13 345 78 Activitient 200 9.9 12 12 10 12 12 12 12 12 12 12 12 12 12 12 12 12	- 12° 4 0° 5 5 201 0°L Holdog 1.24 50 15 362 251 25 25 25 25 25 25 25 25 25 25 25 25 25	
	546 34 Adarbu 7 20 37 34 34 24 243 484 483 44 68 74 243 244 484 483 44 68 74 243 244 484 483 44 68 74 243 244 244 244 244 244 244 244 244 24		$ \begin{array}{c} 14 \\ 15 \\ 12 \\ 23 \\ 17 \\ 12 \\ 12 \\ 11 \\ 14 \\ 21 \\ 10 \\ 12 \\ 12 \\ 12 \\ 10 \\ 12 \\ 12$
	21 h 13/2 Alesta AF (0.20 1 2 13 413 17 18 h 10 h 1 h 4 1 2 h 4 2 h 4 h Bontavi (0.80 1,7 0 2236 34 h 34 34 34 34 34 34 34 34 34 34 34 34 34	2 - 1 107 6112 pertent 57 45 745 75 2 927 108 1097 - 2 464 359 (2011 10 9 15 457 457 457 457 457 457 457 457 457 45	Log 24% 14% 24% 14% 24% 14% 24% 14% 24% 14% 24% 14% 24% 14% 24% 14% 24% 14% 24% 14% 24% 14% 24% 14% 14% 24% 14%
	23 16 ⁵ Allenge Lud 0 46 2.5 11 07 10 18 3 19 + 4 23 5 17 5 Brokenink T 15 1220 14 14 14 14 14 29 1 21 2 Allenge 1.68 5 9 15 17 91 25 9 28 28 1 + 4 37 1 5 7 1 2 0 22 2 2 2 2 4 4 61 3 6 39 5 17 4 Allenge 0.020 1.1 16 2783 178 1 25 9 28 28 1 + 4 5 1 5 1 5 1 2 1 4 60 76 75 1 7 33 5 25 4 Allenge 0.020 1.1 16 2783 178 1 5 9 5 1 2 1 4 5 1 7 1 5 1 2 1 4 60 76 75 1 7 33 5 25 4 Allenge 0.020 1.1 16 2783 178 1 5 9 5 1 2 1 2 1 4 1 1 5 1 2 1 1 1 4 6 1 76 75 1 7 33 5 25 4 Allenge 0.020 1.1 16 2783 178 1 4 1 2 1 1 1 2 1 1 1 1 2 1 1 1 1 1 4 6 1 7 6 75 1 1 1 4 1 4 6 1 7 6 75 1 1 1 4 1 4 1 4 1 4 1 4 1 4 1 4 1 4 1	4 74 767 3.00 Dama Carp 106 5084 16 127 16 -19 52 33 Dechade 0.96 1.8 22 797 527 527 528 -14 52 33 Dechade 0.96 1.8 22 797 527 527 528 -14 54 65 314 Carpet 3315824 594 574 582 42 54 4 337 24 Dechade 0.96 1.8 24 294 294 594 594 154 54 53 12 Carpet 3315824 594 594 594 594 594 154 54 53 137 Dechade 0.96 1.8 24 294 294 294 154 54 53 137 Dechade 0.96 2.9 8 56 205 294 294 294 154 54 53 137 Dechade 0.95 23 6974 605 594 60 154 177 -4 54 54 45 Dechady 0.5 23 6974 605 594 60 -3 54 55 10 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	1/2 1/2 <th1 2<="" th=""> <th1 2<="" th=""> <th1 2<="" th=""></th1></th1></th1>
	26 ² ₂ 16 ² ₂ ApplicamentA 1, 0.16 0.7517 346 26 25 254, 257 1, 4 44 6 ² 1 2 ⁴ 2 montant 0.08 23 15 3000 30 5 2 ⁴ 7 30 4 377 234, Aturean 5 1543 22 28 ¹ 2 29 - 1 44 51 44 841 11 22 44 841 11 22 44 841 11 22 44 841 11 22 44 841 11 22 44 841 11 22 44 841 11 22 44 841 11 22 44 841 11 22 44 841 11 22 44 841 12 20 44 14 44 44 44 14 14 14 14 14 14 14 14	-10 25 10 10 10 10 10 10 10 10 10 10 10 10 10	14 387 26 Lowes 0.28 0.7 20 5137 30 2 22 28 2 18 27 13 27 17 Person 0.12 0.5 23 17 23 28 7 21 2 28 2 16 27 17 Person 0.8 23 17 2 5 18 2 28 2 28 2 28 2 18 27 17 Person 0.8 5 1 12 399 21 2 7 18 21 2 1 2 2 1 2 2 2 2 2 2 2 2 2 2 2 2
	224 104 Amcast hd 0.55 31 8 77 187 18 184 -1_{6} 18 184 -1_{6} 142 339 80 m Hence 0.55 15 15 3698 374 3812 385 555 343 Amatains 0.65 1.1 43 1731 534 525 522 -15 1 474 355 Ambine 12.00 40 91 125 244 -1_{4} 132 324 235 80 m Hence 0.56 15 16 3698 374 3812 385 474 355 Ambine 12.00 40 91 125 244 -1_{4} 132 324 235 80 m Hence 0.56 15 16 3698 374 3812 102 105 2812 134 Am Henc 10 91 125 2414 343 433 134 -1_{4} 132 324 235 80 m Hence 0.56 15 16 3698 374 3812 102 105 2812 134 Am Henc 10 91 125 2415 433 134 -1_{4} 132 324 235 80 m Hence 0.56 12 116 182 25 28 2812 2812 134 Am Henc 104 0 87 71 194 135 14 33 134 135 135 137 14 -1_{4} 132 14 134 -1_{4} 133 14 Am Hence 0.56 15 15 16 369 14 14 15 15 15 12 12 12 12 12 12 12 12 12 12 12 12 12	104 9 % Drhus Si M + 0 67 6 8 134 9 % 9 % + 1 19% 144 Hausson ADP 1.07 6 3 8 4807 18 % 15% 218 77 364 Du Porte 5 a 4.50 8.0 11 75% 74 2 75% + 1 4 45% 324 Hausson ADP 1.07 6 3 8 4807 18% 15% 218 77 364 Du Porte 5 20 18 14 783 10 % 10% 10% 10% 12% 16% 1.12 4.61 778 22% 21% 21% 22% 22 + 46 77% Dude Port 2.04 4.3 14 1210 47% 47% 47% - 1 20% 22 Hauren bat 0.22 4.61 778 24% 25% 25% 25% 25% 25% 25% 25% 25% 25% 25	10 56% 51% 56% 57%
	99 $\frac{1}{2}$ 01 $\frac{1}{4}$ Am Homes 1.00 31 14 4205 97 $\frac{1}{2}$ 05 99 $\frac{1}{4}$ 05 93 $\frac{1}{4}$ 16 $\frac{1}{2}$ 37 $\frac{1}{4}$ 27 $\frac{1}{4}$ 17 $\frac{1}{4}$ 27 $\frac{1}{4}$ 27 $\frac{1}{4}$ 17 $\frac{1}{4}$ 27 $\frac{1}{4}$ 27 $\frac{1}{4}$ 17 $\frac{1}{4}$ 27 $\frac{1}{4}$ 17 $\frac{1}{4}$ 27 $\frac{1}{4}$ 17 $\frac{1}{4}$ 27 $\frac{1}{4}$ 17 $\frac{1}{4}$ 27 $\frac{1}{4}$ 17 $\frac{1}{4}$ 27 $\frac{1}{4}$ 17 $\frac{1}{4}$ 27 $\frac{1}{4}$ 18 $\frac{1}{4}$ 27 $\frac{1}{4}$ 27 $\frac{1}{4}$ 18 $\frac{1}{4}$ 27 $\frac{1}{4}$ 19 $\frac{1}{4}$ 27 $\frac{1}{4}$ 19 $\frac{1}{4}$ 27 $\frac{1}{4}$ 19 $\frac{1}{4}$ 27 $\frac{1}{4}$ 19 $\frac{1}{4}$ 27 $\frac{1}{4}$	$ \begin{array}{c} 1 \\ 3 \\ 3 \\ 4 \\ 4 \\ 3 \\ 4 \\ 4 \\ 3 \\ 4 \\ 4$	⁴⁶ 25 17 ¹ / ₂ MOU Res 164 77 15 136 21 ¹ / ₂ 214 214 214 217 Pape Dorpot 1 00 57 17 630 37 ⁵ / ₂ 31/ ₂ 31/ ₂ - ¹ / ₂ 1 9 ¹ / ₂ 8 J ₄ M75 Chartax 0.75 04 378 9 6 ² / ₂ 9 4 1 34 ³ / ₂ 217 Pape Boyot 0 19 0.7 19 1625 23 ¹ / ₂ 24/ ₃ 25 ¹ / ₂ - ¹ / ₄ 8 J ₄ 9 M75 Contrax 0.75 04 378 9 6 ² / ₂ 9 4 1 34 ³ / ₂ 217 Pape Boyot 0 19 0.7 19 1625 23 ¹ / ₂ 24/ ₃ 25 ¹ / ₂ - ¹ / ₄ 8 J ₄ 9 M75 Contrax 0.75 04 378 9 6 ² / ₂ 9 4 1 34 ³ / ₂ 43 ⁴ / ₂ Pape Boyot 0 19 0.7 19 1625 23 ¹ / ₂ 24/ ₃ 25 ¹ / ₂ - ¹ / ₄ 8 J ₄ 9 M75 Contrax 0.75 04 378 9 6 ² / ₁ 9 4 1 34 ³ / ₄ 33 ¹ / ₂ Pape Boyot 0 19 0.7 19 1625 23 ¹ / ₂ 24/ ₃ 25 ¹ / ₂ - ¹ / ₄ 16 J ₄ 13 ¹ / ₃ MCI Prop r 0.96 60 12 108 16 ¹ / ₄ 16 ¹ / ₈ 10 ¹ / ₈ 23 ¹ / ₄ 25 ¹ / ₄ 12 ¹ / ₄ 14 ¹ / ₄ 4 ⁴ / ₄ 3 ¹ / ₄ Pape Box 0 68 17 24 996 59 ¹ / ₄ 37 ¹ / ₈ 39 ¹ / ₂ - ¹ / ₄ 20 ¹ / ₄ 112 ¹ / ₄ MACF Prop r 0.96 60 12 108 16 ¹ / ₄ 16 ¹ / ₈ 10 ¹ / ₈ 20 ¹ / ₄ 112 ¹ / ₄ MACF Prop r 0.96 60 12 108 16 ¹ / ₄ 12 ¹ / ₄ 13 ¹ / ₄ 13 ¹ / ₄ 130 117 18 103 11 ³ / ₄ 11 ³ / ₄ + ¹ / ₄ 20 ¹ / ₄ 112 ¹ / ₄ MACF Prop r 0.96 60 12 108 16 ¹ / ₄ 14 ¹ / ₄ 4 ⁴ / ₄ 3 ¹ / ₄ Partness Bo 0.25 80 13 117 18 103 11 ³ / ₄ 11 ³ / ₄ 1 ⁴ / ₄ 20 ¹ / ₄ 113 ¹ / ₄ MACF Prop r 0.96 60 12 108 17 ³ / ₄ 27 ³ / ₇ 27 ⁷ / ₇ 20 ¹ / ₂ 2 ³ / ₂ Partnes Bo 0.25 80 13 130 25 ³ / ₈ 2 ³ / ₈ 2 ³ / ₈ 1 ³ / ₉ - ¹ / ₉ 2 ¹ / ₄ 13 ¹ / ₄ MACF Prop r 0.9 - ¹ / ₂ 2 ³ / ₁ 14 ¹ / ₁ 14 ¹ / ₄ 2 ⁴ / ₄ 2 ³ / ₁ 2 ³
	20 ¹ / ₂ 17 Am Went 5 ⁴ / ₂ 125 6.7 210 18 ⁴ / ₃ 18 ⁴ / ₄ 18 ⁴ / ₄ 18 ⁷ / ₄ 17 ⁵ / ₄ 14 ⁶ / ₄ 12 ⁵ / ₄ 10 Caligon Can 0.30 2.5118 7.28 12 ⁴ / ₄ 11 ⁴ / ₈ 11 ⁴ / ₃ 10 Caligon Can 0.30 2.5118 7.28 12 ⁴ / ₄ 11 ⁵ / ₈ 11 ⁷ / ₃ 12 ⁴ / ₈ 24 ⁴ / ₄ Am Fin 4 1.00 3.2 13 213 31 ⁴ / ₂ 23 ⁴ / ₃ 38 ⁴ / ₄ 24 ⁴ / ₄ 41 ⁵ / ₄ 2008 5 705 46 ³ / ₄ 64 ⁴ / ₉ 44 ⁷ / ₃ 11 ⁴ / ₄ 219 ⁴ / ₈ Am Fin 4 1.00 3.2 13 214 31 ⁴ / ₂ 23 ⁴ / ₁ 23 ⁴ / ₄ 10 ⁴ / ₄ 2008 5 705 46 ³ / ₄ 64 ⁴ / ₉ 47 ⁴ / ₁ 21 ⁴ / ₁ 21 ⁴ / ₁ 21 ⁴ / ₂ 21 ⁴ / ₂ 21 ⁴ / ₂ 11 ⁴ / ₂ 21 ⁴ / ₂ 11 ⁴ / ₂ 11 ⁴ / ₂ 11 ⁴ / ₂ 21 ⁴ /	 2415 13 6626 056 2.0 25 1268 214 205 214 4 4 347 244 Henry 1.59 4.8 19 3864 331 124 33 4 254 214 Exc 198 5 168 07 15 175 241 234 34 41 4 342 21 4461a Car 0.21 10 37 349 315 304 315 314 314 312 334 41 15 203 334 331 335 44 314 221 4461a Car 0.22 10 37 349 315 304 315 314 314 312 335 44 314 221 445 21 445 20 445 314 314 314 314 314 314 314 314 314 314	4 417, 293, Mileov 056 15 15 1271 364, 357, 361, 14 404 323, Phabha 1 7,27896 374, 361, 37 - 75 4 1365, 21 Mehae 1.00, 3.4 44 10, 217, 335, 235, 14 (701, 517, Pheba 1, 180, 31, 6,3902, 591, 58, 59, -15
	1634 34 patrix no. 0.12 0.7 b5 (2017) 1644 1544 1844 44 1 13576 8035 CapCar 0.20 0.2 25 2807 124 2 123 23 123 2 41 2 253, Amenunti 1.52 41 13 506 37 2 37 4 37 2 2 2 4 3 Ametania 0 1108 0.24 32 37 132 1054 134 1054 200 141 12 4503 22 7 22 4 22 5 64 2 355 Ametania 0 30 06195 3699 51 3 49 4 50 -1 2 32 12 134 Capati 18 160 5.6 2100 28 2 29 2 28 2 254 134 Amatania 0 30 06195 3699 51 3 49 4 50 -1 2 32 12 134 Capati 18 160 5.6 2100 28 2 29 2 28 2 254 134 Amatania 0 30 06195 3699 51 3 49 4 50 -1 2 32 12 134 Capati 18 160 5.6 2100 28 2 29 2 28 2 254 134 Amatania 0 30 06195 3699 51 3 49 4 50 -1 2 32 12 134 Capati 18 160 5.6 2100 28 2 29 2 28 2 254 134 Amatania 0 30 06195 3699 51 3 49 3 20 3 -1 2 32 12 11 2 Capati 18 160 5.6 2100 28 2 21 2 28 2 254 134 Amatania 0 30 15 3664 21 3 28 20 3 -1 2 21 2 11 2 Capati 18 160 5.6 2100 28 2 21 2 28 2 254 134 Amatania 0 30 15 366 21 3 20 20 20 20 20 20 20 20 20 20 20 20 20	s. 1 2 3 3 1 1 2 3 3 1 2 3 5 1 5 1 5 1 5 1 5 1 5 1 5 1 5 1 5 1 5 1 5 1 5 1 5 1 5 1 5 1 5 1 5 1 5 1 5 1 6 1 2 3 1 3 4 3 0 2 1 1 3 6 3	3 1995 1916 Here 10 9 192 192 192 192 192 192 192 1930 010 0.3 14 200 314 304 31 ia
	3014 1876 APH 17 1292 2142 214 215 - 49 455 2012 EaseB 0.20 0.5 1915 35 21 0 1918 183 21 0 0 1918 117 1292 2142 214 215 - 49 455 2012 EaseB 0.20 0.5 19105 345 417 422 19 183 1905 16 1513 152 - 42 95 416 Casta Amer 0.05 0.9 13 656 8 55 57 55 35 252 400 Per A 0.12 0 41 41 00 273 274 271 275 - 12 165 144 20 2005 0.9 13 656 8 55 57 57 10 273 4271 273 174 172 173 174 172 175 475 2015 412 0 415 51 0 50 51 16 55 56 59 12 10 57 10 82 492 493 493 493 - 37 55 467 EaseB 1.0 2.0 0.5 20 59 21 187 2012 187 2012 197 174 174 174 174 174 174 174 174 174 17	 19% 10 Emotre Dis. 1,28 71 14 126 18% 18 18% 14 154 378 Emotes Dis. 1,28 71 14 126 18% 18 18% 14 154 378 Emotes Dis. 1,28 71 14 126 18% 18 18% 14 154 378 Emotes Dis. 1,28 71 14 126 18% 18% 14% 13% 13% 14% 12% 154 378 Emotes Dis. 1,28 71 14 12% 18% 14% 15% 14% 12% 14% 14% 15% 14% 14% 14% 14% 14% 14% 14% 14% 14% 14	² 45% 25% Members 114 2.7 13 6086 44 42% 42% 116 12% ²¹ / ₄ 14% PMCBMA 0.12 07:07 397 16% 16% 16% 16% ³ 21% 14% Members 0.50 2.61% 1356 10% 15% 18% 4.7 2% 1% PMCBMA 140 47 150 111 25% 29 29% 4.4 4.4 4.4 4.4 4.4 4.4 4.4 4.4 4.4 4.
	$ \begin{array}{cccccccccccccccccccccccccccccccccccc$	4 1394 224 je totom 080 22 18 652 374 364 384 384 -36 64 je 355 je totogetom Nit 8.96 2.15 257 41.5 41.5 41.5 41.5 41.5 41.5 41.5 41.5	2 2012 21 Machanel 2013 2010022 1001 41 23 2312 2521 - 1 544 2012 1012 1012 113 1937 511 504 514 514 - 7 2012 21 Machanel 2010 0.50 2.8 11 41 236 2312 2521 - 1 534 514 - 1 535 21 4 Francisk 1.08 2.1 13 1937 511 504 514 514 - 7 515 2016 Methele 2.00 4.0 14 3566 493 454 491 + 1 - 355 21 4 Francisk 0.50 2.1 18 305 742 243 745 - 7 315 2016 Methele 0.04 15 15 15 777 37 37 324 202 - 2 304 124 Francisk 35 322 2018 275 275 274 - 1
	250 242 240 Ref 2 260 10 9 277 276 276 276 104 054 <th054< th=""> 054 <th054< th=""> <th054< th=""> <th054< th=""></th054<></th054<></th054<></th054<>	* 4 30/μ 12/j Edeofance 8 95 (*1/2) 2/1 5 2/1 5 2/1 5 3/2 8 3/2 1/2 12/2 12/2 12/2 12/2 12/2 12/2 1	49 39 39 39 35 35 35 45 <t< td=""></t<>
	301a 22 Aus20me 25 6732 25 3 24 5 25 12 14 5 11 2 20method 506 11 4 7 14 5 14 5 11 2 20method 506 11 4 7 14 5 14 5 11 2 20method 506 11 4 7 14 5 14 5 11 2 20method 506 11 4 7 14 5 14 5 11 2 20method 506 11 4 7 14 5 14 5 11 2 20method 506 11 4 7 14 5 13 13 13 4 10 4 14 5 11 4 5 16 1 8 13 4 14 5 11 4 5 14	$ \begin{array}{cccccccccccccccccccccccccccccccccccc$	22 8/3 Metorica 540 3390 75 1 052 52 52 52 10 60 40 Free state 50 20 50 50 50 50 50 50 50 50 50 50 50 50 50
	••••• ID •• 55 ** 55 ** 55 ** 55 ** 55 ** 55 ** 55 ** 55 ** 35 **	*** 234 104 producti 0.48 23 17 560 201 201 201 201 201 53 432 pt 1 53 432 pt 1 1 34 4.0 13 494 487 48 48 48 48 48 48 48 48 48 48 48 48 48	113 334 Moderadar 4141 83 01 63 1 10 24 11 11 92 Pagagar Ma 075 8.0 71 uli 107 11 113 34 Moderadar 0.20 16134 2100 124 124 124 77 64 Pagagar Ma 0.75 8.0 71 uli 107 11 125 634 Moderadar 0.20 16134 2100 124 124 124 77 64 Pagagar Ma 0.02 8.1 167 74 75 74 44 125 634 Moderadar 0.20 16134 210 124 124 124 77 75 74 Pagaa Matha 0.02 8.1 167 74 75 74 44 84 54 Moderadar 0.07 124 1 51 6 ¹ 6 ¹ 6 ¹ 6 ¹ 6 ¹ 7 ² 17 10 10 10 10 10 10 10 10 10 10 10 10 10
	56 1 70 2 58 70 1 2 1 1 2 1 1 2 1 1 2 1 1 2 1 1 2 1 1 2 1 1 2 1 1 2 1 2 1 2 2 1 1 2 1 1 2 1 2 1 1 2 1 2 1 1 2 1 2 1 1 2 1 2 1 1 2 1 1 2 1 1 2 1 1 2 1 1 2 1 1 2 1 1 2 1 1 2 1 1 2 1 1 2 1 1 1 2 1 1 1 2 1 1 1 1 2 1 1 1 1 1 2 1	1 1 1 1 1 1 1 1 1 1 1 1 2 1 2 1 2 1 2 1	13 25 261 277 231 277 231 227 228 229 201 -4 100 13 25
	50 42 Hum Am 8 325 57 25 492 494 454 + 47 114 33 CB4 Group 010 21 97 455 5 473 472 9% 713 Bum Am 8 501 55 58 91 00% 11 4 72 49% Bm At 8 400 81 35 4784 553 93 00% 11 4 50% 36 Hotys 154 33 9 12 495 315 554 354 354 354 354 354 354 354 354 35	**2 591, 41% Fest Union 2.05 4.0 9 4808 521; 51% 52'3 - % 16/5 937 86760 22 156 127, 12% 12% 1% 55% 52% 52% 54% 54% 54% 54% 54% 54% 54% 54% 54% 54	Construction Construction<
	14/3 : 58 BARCH 015 05.143 4711 101 9 4 9 5 14 (101 0 2 0 2 0 6 10 1 0 1 0 2 0 2 0 6 10 1 0 1 0 2 0 2 0 6 10 1 0 1 0 2 0 2 0 6 10 1 0 1 0 2 0 2 0 6 10 1 0 1 0 2 0 2 0 6 10 1 0 1 0 2 0 2 0 6 10 1 0 1 0 2 0 2 0 6 10 1 0 1 0 2 0 2 0 6 10 1 0 1 0 2 0 2 0 6 10 1 0 1 0 2 0 2 0 6 10 1 0 1 0 1 0 1 0 1 0 1 0 1 0 1 0	13 μ 11 μ 13 μ <t< td=""><td>315 285 Hemosoba 1.00 3.2 10 412 30 2 23 5 30 4 1 4 3 44 2 33 Hemoser 1.00 2.4 10 383 437 42 42 4 4 5 32 4 4 5 3 1 4 4 5 3 1 4 4 5 3 1 4 4 5 3 1 4 4 5 3 1 4 5 1 1 4 5</td></t<>	315 285 Hemosoba 1.00 3.2 10 412 30 2 23 5 30 4 1 4 3 44 2 33 Hemoser 1.00 2.4 10 383 437 42 42 4 4 5 32 4 4 5 3 1 4 4 5 3 1 4 4 5 3 1 4 4 5 3 1 4 4 5 3 1 4 5 1 1 4 5
CONRAD INTERNATIONAL ISTANBUL IST	$\begin{array}{c} 37^{+}_{13} 31^{+}_{15} Compate & 1321:39 47^{+}_{14} 45^{+}_{13} 40^{+}_{16} \\ 10 & 5 Compate & 2 & 66 & 9^{+}_{18} & 8^{+}_{19} & 0^{+}_{14} \\ 70^{+}_{23} 31^{+}_{14} Compate & 0 & 18 & 0.3 & 71.234 & 56^{+}_{23} & 55.2 \\ 75^{+}_{14} 46^{+}_{12} Comp3e & 0 & 10 & 0.5 & 16 & 49 & 19^{+}_{12} & 68^{+}_{13} \\ 27 & 9^{+}_{12} Comp3e & 10 & 0.5 & 16 & 49 & 19^{+}_{12} & 68^{+}_{13} \\ 27 & 9^{+}_{12} Comp3e & 10 & 0.5 & 16 & 49 & 19^{+}_{12} & 68^{+}_{13} \\ 24^{+}_{24} 12^{+}_{12} Comp3e & 10 & 0.5 & 16 & 49 & 19^{+}_{12} & 19 & 19^{+}_{13} \\ 24^{+}_{24} 12^{+}_{12} Comp3e & 10 & 0.5 & 16 & 49 & 19^{+}_{12} & 19 & 19^{+}_{13} \\ \end{array}$	¹⁴ 6 ¹ / ₂ 3 ¹ / ₂ Friends 0 10 2.7 19 45 3 ¹ / ₄ 3	30-19 10-19
CONRAD INTERNATIONAL ISTANEDUL	GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST GUBST G	1 27 ² / ₂ 10 ¹ / ₂ fracom 51 759 24 23 ¹ / ₂ 23 ¹ / ₂ 45 ¹ / ₂ 45 ¹ / ₂ 65 ² / ₁₀ 65	3-1 3-1
When you stay with us in LSTANBUL stay in touch- with your complimentary copy of the IV 25% Canary Corr 10, 12, 15, 13, 25, 12, 12, 12, 12, 12, 12, 12, 12, 12, 12	$\begin{array}{c} \text{CONRAD} \\ \text{INTERNATIONAL} \\ \text{ISTANBUL} \\ \text{ISTANBUL} \end{array} \\ \begin{array}{c} \text{STANBUL} \\ \text{ISTANBUL} \\ \text{ISTANBUL} \end{array} \\ \begin{array}{c} \text{STANBUL} \\ \text{ISTANBUL} \\ \text{ISTANBUL} \\ \end{array} \\ \begin{array}{c} \text{STANBUL} \\ \text{ISTANBUL} \\ \text{ISTANBUL} \\ \end{array} \\ \begin{array}{c} \text{STANBUL} \\ \text{ISTANBUL} \\ \text{ISTANBUL} \\ \end{array} \\ \begin{array}{c} \text{STANBUL} \\ \text{ISTANBUL} \\ \text{ISTANBUL} \\ \end{array} \\ \begin{array}{c} \text{STANBUL} \\ \text{ISTANBUL} \\ \text{ISTANBUL} \\ \end{array} \\ \begin{array}{c} \text{STANBUL} \\ \text{ISTANBUL} \\ \text{ISTANBUL} \\ \end{array} \\ \begin{array}{c} \text{STANBUL} \\ \text{ISTANBUL} \\ \text{ISTANBUL} \\ \end{array} \\ \begin{array}{c} \text{STANBUL} \\ \text{ISTANBUL} \\ \text{ISTANBUL} \\ \end{array} \\ \begin{array}{c} \text{STANBUL} \\ \text{ISTANBUL} \\ \text{ISTANBUL} \\ \begin{array}{c} \text{STANBUL} \\ \text{ISTANBUL} \\ \text{ISTANBUL} \\ \text{ISTANBUL} \\ \end{array} \\ \begin{array}{c} \text{STANBUL} \\ \text{ISTANBUL} \\ \text{ISTANBUL} \\ \begin{array}{c} \text{STANBUL} \\ \text{ISTANBUL} \\ \text{ISTANBUL} \\ \begin{array}{c} \text{STANBUL} \\ \text{ISTANBUL} \\ \text{ISTANBUL} \\ \end{array} \\ \begin{array}{c} \text{STANBUL} \\ \text{ISTANBUL} \\ \text{ISTANBUL} \\ \begin{array}{c} \text{STANBUL} \\ \text{ISTANBUL} \\ \text{ISTANBUL} \\ \begin{array}{c} \text{STANBUL} \\ \text{ISTANBUL} \\ \begin{array}{c} \text{STANBUL} \\ \text{ISTANBUL} \\ \begin{array}{c} \text{STANBUL} \\ \text{ISTANBUL} \\ \text{ISTANBUL} \\ \begin{array}{c} \text{STANBUL} \\ \{STANBUL} \\ \{STANBUL} \\ \begin{array}{c} \text{STANBUL} \\ \{STANBUL} \\ \{STANBUL} \\ \begin{array}{c} \text{STANBUL} \\ \{STANBUL} \\ \{STANBUL} \\ \{STANBUL} \\ \begin{array}{c} \text{STANBUL} \\ \{STANBUL} \\ \{STANBUL} \\ \{STANBUL} \\ \{STANBUL} \\ \{STANBUL} \\ \{STANBUL} \\ \\\ \{STANBUL} \\ \\\ \{STANBUL} \\ \{STANBUL} \\ \\{STANBUL} \\ \\\ \{STANBUL} \\ \\{STANBUL} \\ \\{STANBUL} \\ \\\\ \\{STANBUL} \\ \\\\ \\{STANBUL} \\ \\\\ \\\\\ \\\\\ \\\\\\ \\\\\\ \\\\\\\ \\\\\\$	¹ / ₂ 5 ⁴ / ₄ 40 ¹ / ₂ 6AT 160 32 10 141 50 445 5 50 -1 4 30 4 25 4 N Energy 120 3.5 17 151 275 2 28 4 - 3 (35% 113 640 cm 1 1 6 0 3 2 10 141 50 45 5 35 3 3 5 - 4 6 1 2 13 6 10 11 3 342 24 3 4 5 3 1 2 13 5 1 2 13 6 11 11 3 342 24 2 1 2 1 11 11 3 44 2 24 1 2 1 11 1 1 1 1 1 1 1 1 1 1 1	2-3 3-4 Interstand 6.46 0.39 40.2649 3.2% 30-5 3.5% -2 1.3% 12 Hardsmark 0.68 4.5 18 37 134, 13 134, 4-4 24% 34% Interstand 6.05 0.3 11 2759 2.1% 2.14 2.1% 314 2.2% Restance 0.48 18 15 92.5% 2.5% 5.25% 5.4% 15.5% 1.5% 3.4% 15.5\% 3.4\% 15.5\% 3.5\% 15.5\% 3.4\% 15.5\% 3.4\% 15.5\% 3.4\% 15.5\% 3.5\% 15.5\% 3.5\% 15.5\% 3.5\% 15.5\% 3.5\% 15.5\% 3.5\% 15.5\% 3.5\% 15.5\% 3.5\% 15.5\% 3.5\% 15.5\% 3.5\% 15.5\% 3.5\% 15.5\% 3.5\% 15.
	When you stay with us 14. 23 16 347 34. 345 3	η των α μαν α <thμαν th="" α<=""> μαν α</thμαν>	B 54x Bornanic B C 231 J 3 2 1 952 Bits Bits Bornanic B C 231 J 3 2 1 952 Bits Bi
FINANCIAL TIMES 294 1430 Craste 1 883 245 214 244 + 1 541 555 Grants 0.02 10 27 4140 525 504 515 -13 141 225 Remark 0.00 1.9 11 528 75 62.01 100 27 30 171 641 223 755 2019 100 27 30 171 641 223 755 2019 100 27 30 171 641 223 2019 201 2019 100 27 30 171 641 223 2019 2019	FINANCIAL TIMES Constant 0.54 3.3 16 1.64	$\begin{array}{cccccccccccccccccccccccccccccccccccc$	125-a 21 ME 10 17.6 7.1 16.7 7.2 2.1 16.7 7.2 2.1 16.7 <t< td=""></t<>

a An an an an an an

1

, -

.

.

30

4 pm close January 12

•

.

1

4 pm class January 12

FINANCIAL TIMES MONDAY JANUARY 15 1996 *

NYSE COMPOSITE PRICES

NASDAQ NATIONAL MARKET

•

.

·····

.

31

and the strends

4 pm close January 12 1995-Jog High Law Stack YhL 17/ 58s Shy %s E 180a Haga Cirigo Cicana Prast. Lawr Cante Cicana
 Prime
 Prime
 Prime
 Prime
 Prime
 Prime
 Prime
 Prime
 Prime
 Prime
 Prime
 Prime
 Prime
 Prime
 Prime
 Prime
 Prime
 Prime
 Prime
 Prime
 Prime
 Prime
 Prime
 Prime
 Prime
 Prime
 Prime
 Prime
 Prime
 Prime
 Prime
 Prime
 Prime
 Prime
 Prime
 Prime
 Prime
 Prime
 Prime
 Prime
 Prime
 Prime
 Prime
 Prime
 Prime
 Prime
 Prime
 Prime
 Prime
 Prime
 Prime
 Prime
 Prime
 Prime
 Prime
 Prime
 Prime
 Prime
 Prime
 Prime
 Prime
 Prime
 Prime
 Prime
 Prime
 Prime
 Prime
 Prime
 Prime
 Prime
 Prime
 Prime
 Prime
 Prime
 Prime
 Prime
 Prime
 Prime
 Prime
 Prime
 Prime
 Prime
 Prime
 Prime
 Prime
 Prim
 Prime
 Prime
 <th Cargen Thái 17 Sha Cipten Pyrti. Dhe 🗲 E 100e Night Low Chipte Cipten 1996/96 High Law Stock ₽5 Ska Dak. 271004 14 Sty Div. E 190a Stock Dep Gay H Les Last Shog Continued from previous page **Stock Heat** Low Last Chap 120 12 55 45% 45 45 -4 020 34 95 8% 8% 8% 18 3 22% 22% 22%

 373
 330
 String of String - ¥ -Devicion OH 7ech К-- R $\begin{array}{c} - \mathbf{p}_{\mathbf{k}} = \\ 0.08 \quad 8 \quad 30 \quad 113_{\mathbf{k}} \quad 11 \quad 113_{\mathbf{k}} \quad +1_{\mathbf{k}} \\ 0.44 \quad 12 \quad 206 \quad 11 \quad 183_{\mathbf{k}} \quad 107_{\mathbf{k}} \quad +1_{\mathbf{k}} \\ 0.30 \quad 15 \quad 104 \quad 203_{\mathbf{k}} \quad 28 \quad 20 \\ 0.52 \quad 13 \quad 49 \quad 253_{\mathbf{k}} \quad 284_{\mathbf{k}} \quad 253_{\mathbf{k}} \\ 1070225 \quad 284_{\mathbf{k}} \quad 253_{\mathbf{k}} \quad 284_{\mathbf{k}} \quad -34_{\mathbf{k}} \\ 0.11990 \quad 15 \quad 132_{\mathbf{k}} \quad 233_{\mathbf{k}} \quad 284_{\mathbf{k}} \quad -34_{\mathbf{k}} \\ 0.11990 \quad 15 \quad 132_{\mathbf{k}} \quad 233_{\mathbf{k}} \quad 243_{\mathbf{k}} \quad -34_{\mathbf{k}} \\ 0.11990 \quad 15 \quad 132_{\mathbf{k}} \quad 233_{\mathbf{k}} \quad 243_{\mathbf{k}} \quad -34_{\mathbf{k}} \\ 0.11990 \quad 15 \quad 123_{\mathbf{k}} \quad 233_{\mathbf{k}} \quad 243_{\mathbf{k}} \quad -34_{\mathbf{k}} \\ 0.1190 \quad 123_{\mathbf{k}} \quad 25 \quad 233_{\mathbf{k}} \quad 243_{\mathbf{k}} \quad -34_{\mathbf{k}} \\ 0.1190 \quad 123_{\mathbf{k}} \quad 233_{\mathbf{k}} \quad 243_{\mathbf{k}} \quad -34_{\mathbf{k}} \\ 0.1190 \quad 123_{\mathbf{k}} \quad -34_{\mathbf{k}} \\ 0.110 \quad 0.113 \quad 0.113 \quad 0.113 \quad 0.113 \\ 0.110 \quad 0.113 \quad 0.113 \quad 0.113 \quad 0.113 \quad 0.113 \quad 0.113 \\ 0.110 \quad 0.113 \quad$ 15 207 201 878 20 41 8 207 1/2 11 12 12 14 11 183 22 21 21 -1 3 19 2364 22 3 22 21 21 -4 8 6430 23 2 23 22 -4 8 6430 23 2 23 25 - 4 K Sums 10 3 4274 224 224 224 13 904 204 19 19 -1 75 915 104 10 19 755 1294 1,2 df-3 1,2 16 233 11 104 104 104 +1 Rainpun Rainya 6 Raymund 11 183 22 ... RG58 Fin x 0.48 19 2964 22³g 22 22 RG58 Fin x 0.48 19 2964 22³g 22⁵g 8 6430 23³x 22³g 22⁵g ^{- x} 341 1944 17³2 17⁷g ^{- x} 341 1944 17³2 17⁷g Digi inti Kanan Ce Dig Mices Dig Sound Kentral Kentral Kla kentral
 Deg Syst
 16
 233
 11
 10³/₂
 10³/₄
 11³/₄
 10³/₄
 Dig Syst Koll A Repigen Repigen Repigen Repide ResubMed 15 341 194 17¹2 17⁷ 9 1796 1¹4 11 114 86 2933 28¹2 27⁷2 28¹4 1. 1 Komag tac Kulicke S - L -- W -- E - 3 433 2¹g 1¹g 2¹g 1¹g E -2414. 18 WHS and 315. 274 WHL Haldin 205. 195.2 Walture be 494.3 Without Sec 494.3 Without Sec 314.21 4 Without Sec 371.2 2052 Walkers 3 11 Marmar Ian 10 73.3 Without Sec 271.2 2052 Walkers 10 73.3 Without Sec 271.2 2052 Walkers 10 73.3 Without Sec 271.2 2054 Walkers 10 73.3 Without Sec 272.2 Walkers 13.2 2054 Walkers 13.2 2054 Walkers 205.2 Without Sec 205.2 Without Sec 205.2 Without Sec 205.2 Without Sec 205.2 Without Sec 205.2 Without Sec 205.2 Without Sec 205.2 2054 Walkers 205.2 Without Sec 205.2 Without Sec 205.2 2055 -55 -Sution 1.06 11 1367 337 334 332 -1 Sution 5020 15 168 11 164 167 Sutience 1.020 15 268 277 224 -1 SC System 16 2570 284 247 21 224 -1 SC System 16 2570 284 247 20 224 +4 Sche Cp 0.52250 2354 147 134 14 -7 Soure Bot 15 128 54, 55 54, 54 SC 20 0.20 22 308 224 20 224 +4 Sche Cp 0.20 22 308 224 20 224 +4 Sche B 0.36 5 200 2 112 172 -1 Sutetime 1.12 16 262 35 342 244 5 Septemb 11 4259 144154 124 -1 Septemb 12 1445 54 44 5 Serv 7mch 38 444 65 64 64 -5 Serv 7mch 38 444 65 64 64 -4 Sutetime 0.22 18 55 124 124 174 Sutetime 0.22 18 55 124 124 174 Sutetime 0.22 18 55 124 124 124 -1 Sutetime 0.22 18 55 125 504 -4 Sutetime 0.24 10 157 507 442 504 -4 Sutetime 0.26 19 2715 51 50 504 -4 Sutetime 12 24637 31 194 204 +4 Sutetime 0.20 12 432 22 12 22 -4 Sutetime 0.20 12 437 27 194 204 +4 Sutetime 0.20 12 437 27 194 204 +4 Sutetime 0.20 12 437 31 194 204 +4 Sutetime 0.20 10 1044 254 254 254 254 -4 Sutetime 0.20 11 296 164 94 94 -4 Sutetime 0.20 10 1044 254 254 254 -4 Sutetime 0.20 10 21 872 77 74 74 74 -4 Sutetime 0.20 10 27 78 74 74 74 Sutetime 0.20 11 296 124 304 432 +14 Sutetime 0.20 10 1044 254 254 254 -4 Sutetime 0.20 10 1044 254 254 254 -4 Sutetime 0.20 10 1044 254 254 254 -4 Sutetime 0.20 10 1044 254 254 254 -4 Sutetime 0.20 11 296 12 48 24 244 +4 Sutetime 0.20 12 872 77 78 74 74 -4 Sutetime 0.20 13 560 243 324 4244 +4 Sutetime 0.20 13 560 243 234 4244 +4 Sutetime 0.20 13 560 243 23 24 2444 +4 Sutetime 0.20 13 560 243 23 24 2444 +4 Sutetime 0.20 13 560 243 23 24 2444 +4 Sutetime 0.20 13 560 243 23 24 244 +4 Sutetime 0.20 13 560 243 23 24 244 +4 Sutetime 0.20 14 77 78 41 184 184 184 184 -14 Sutetime 0.20 11 296 12 48 22 27 25 25 Sutetime 0.25 547 23 24 24 244 +4 Sutetime 0.26 51 64 77 184 184 184 184 -14 Sutetime 0.26 16 471 184 218 247 24 Sutetime 0.35 547 184 184 184 -14 Sutetime 0.35 547 184 184 184 -14 Sutetime 0.35 547 184 184 Eegle Fd - 8 -ECT Tel Egghead Bect/Sci Bect/Sci Bect/ris Encon Ass Encon Ass EncontCop Englythdis EnvirSivan Engla Inc Englis Inc Englis E - H4 -MC Cm 0.05 4334253 27. 25. 20. 4. 4. MS Car's 19 137 19-2 19-2 19-4 19-2 4. MS Car's 19 0.60 7 12 12-2 12-2 12-2 12-2 12-2 Madixon 67 0.00 12 75 225 224 22-2 -14 Madixon 67 0.00 12 75 225 224 22-2 -14 Mathematic 10 0.12 75 225 224 22-2 -14 Mathematic 10 0.00 12 75 225 224 22-2 -14 Mathematic 10 0.00 12 75 225 224 22-2 -14 Mathematic 10 0.00 12 75 225 224 22-2 -14 Mathematic 20 4 52 154 14-2 154 +19 Mathematic 20 4 52 154 14-2 154 +19 Mathematic 20 4 59 8/6 73 73 -3 Mathematic 20 12 73 23 12-3 134 12-3 134 Mathematic 20 14 59 8/6 73 73 -3 Mathematic 20 12 73 23 343 234 12-2 +14 Mathematic 20 14 59 8/6 73 73 -3 Mathematic 20 12 73 23 343 12-3 134 Mathematic 20 14 59 8/6 73 73 -3 Mathematic 20 23 354 12-3 12-2 134 Mathematic 20 23 354 12-3 12-2 134 Mathematic 20 23 534 12-3 12-2 134 Mathematic 20 13 28 134 21-2 21-3 Mathematic 20 13 28 1344 13-3 Mathematic 20 13 28 234 12-3 12-2 134 Mathematic 20 11 36 8-2 75 73 -3 Mathematic 20 21 82 3534 12-3 12-2 134 Mathematic 20 21 82 134 136 15-2 15-3 -15 Mathematic 20 21 82 234 12-3 22 23-3 +14 Mathematic 20 118 223 254 12-3 22 23-3 +14 Mathematic 20 118 223 254 12-3 22 23-3 +14 Mathematic 20 118 223 254 12-3 22 23-3 +14 Mathematic 20 118 253 154 12-3 12-4 22 35-4 +14 Mathematic 20 118 253 154 12-3 12-4 22 35-4 +14 Mathematic 20 118 15 150 607 6402 640-4 +14 Mathematic 20 115 150 607 6402 640-4 +14 Mathematic 20 115 150 607 640-2 640-4 +14 Mathematic 20 115 150 607 640-2 640-4 +14 Mathematic 20 115 150 607 640-2 640-4 +14 Mathematic 20 115 150 607 640-2 640-4 +14 Mathematic 20 115 150 607 640-2 640-4 +14 Mathematic 20 115 150 607 640-2 640-4 +14 Mathematic 20 115 150 607 640-2 640-4 +14 Mathematic 20 125 171 114 114-2 +14 Mathematic 20 12 17 114 114-2 +14 Mathematic 20 125 151 134 14-2 +14 14-2 +14 Mathematic 20 125 151 134 14-2 +14 14-2 +14 Mathematic 20 125 151 134 14-2 +14 14-2 +14 Mathematic 20 125 151 134 14-2 +14 Mathematic 20 125 151 144 14-2 +14 14-2 +14 Mathematic 20 152 151 144 14-2 +14 14-2 +14 Mathematic - M -4 1687 614 54 64 +48 - U - $\begin{array}{c} -\mathbf{B} -\\ \mathbf{B} & \mathbf{E} 1 & \mathbf{E} & 0.08 & 18 & 118 & 7^1_2 & 6^2_8 & 7 & -\frac{5}{28} \\ \mathbf{Bakar Jx} & 0.06 & 2 & 445 & 5^1_8 & 64^2_8 & 4^2_8 & -\frac{1}{28} \\ \mathbf{Bakar Jx} & 0.06 & 2 & 445 & 5^1_8 & 64^2_8 & 4^2_8 & -\frac{1}{28} \\ \mathbf{Bakar SC} & 15 & 1686 & 15^8_8 & 15^2_8 & 15^2_8 & 15^2_8 & 15^2_8 \\ \mathbf{BankersC} & 15 & 1686 & 15^8_8 & 15^2_8 & 25^2_2 & 24^3_8 \\ \mathbf{BankersC} & 1027 & 850 & 35 & 35^2_2 & 33^3_8 & -\frac{1}{48} \\ \mathbf{Banker Boux} & 0.664 & 17 & 743 & 44^3_4 & 43 & 43^3_4 & +\frac{1}{48} \\ \mathbf{Basak F} & 1020 & 15 & 255 & 24^3_8 & 25^2_2 \\ \mathbf{BayNak} & 6990345 & 41^3_8 & 385^9_8 & 38^3_8 & -\frac{1}{18} \\ \mathbf{BayNak} & 6990345 & 41^3_8 & 385^9_8 & 38^3_8 & -\frac{1}{18} \\ \mathbf{BayNak} & 6990345 & 41^3_8 & 385^9_8 & 38^3_8 & -\frac{1}{12} \\ \mathbf{BayNak} & 6990345 & 41^3_8 & 91^3_8 & 891^2_8 & 91^3_8 & 91^2_8 \\ \mathbf{BayNak} & 6990345 & 41^3_8 & 91^3_8 & 891^2_8 & 91^3_8 & 11^3_9 \\ \mathbf{BayNak} & 6990345 & 41^3_8 & 91^3_8 & 891^2_8 & 91^3_8 & 91^2_8 \\ \mathbf{BayNak} & 240 & 14 & 4719 & 91^3_8 & 891^2_8 & 91^3_8 & 91^3_8 \\ \mathbf{BankCars} & 0.42 & 13 & 17 & 93^3_8 & 91^4_8 & 91^2_8 & 91^2_8 \\ \mathbf{BankBarg} & 70 & 9 & 3 & 21^2_8 & 21^2_8 \\ \mathbf{BankBarg} & 70 & 91 & 22 & 13^3_8 & 13^3_9 & 13^3_8 & 13^3_8 \\ \mathbf{Bank} & 220 & 10 & 1297 & 10 & 5^5_8 & 5^3_8 & -\frac{1}{18} \\ \mathbf{Bankarg} & 248 & 8078 & 81 & 591^2_8 & 591^3_8 & -\frac{1}{18} \\ \mathbf{Bankarg} & 248 & 8078 & 81 & 591^2_8 & 591^3_8 & -\frac{1}{18} \\ \mathbf{Bankarg} & 248 & 8078 & 81 & 591^2_8 & 591^3_8 & -\frac{1}{18} \\ \mathbf{Bankarg} & 70.8 & 12 & 571 & 34^2_2 & 33^2_2 & 35^3_8 & -\frac{1}{18} \\ \mathbf{Bankarg} & 23541 & 14^5_7 & 184_8 & 40^2_7 & 33^3_8 & -\frac{1}{18} \\ \mathbf{Bankarg} & 23541 & 14^5_2 & 34^3_2 & 33^2_2 & -\frac{1}{18} \\ \mathbf{Bankarg} & 23541 & 14^5_2 & 34^3_2 & 34^3_2 & -\frac{1}{18} \\ \mathbf{Bankarg} & 23541 & 40^2_2 & 33^3_2 & 34^3_2 & -\frac{1}{18} \\ \mathbf{Bankarg} & 32541 & 34^3_2 & 34^3_2 & 34^3_2 & -\frac{1}{18} \\ \mathbf{Bankarg} & 3541 & 40^2_2 & 33^3_2 & 34^3_2 & -\frac{1}{18} \\ \mathbf{Bankarg} & 32541 & 35^3_1 & 140^2_2 & 31^3_2 & 34^3_2 & -\frac{1}{18} \\ \mathbf{Bankarg} & 32541 & 34^3_2 & 34^3_2 & 34^3_2 & -\frac{1}{18} \\ \mathbf{Bankarg} & 33541 & 40^3_2 & 33^3_2 & 44 & 113 \\ \mathbf{Ban$ - B -100 2700 31¹2 30 31¹4 +1¹4 8 18 2³2 2³2 2³ 1956629 42⁵3 38³4 40¹8 -2 255 114 13¹2 12³4 12³8 -4 4
 Summit Te
 100 2700 3112 30 3134 +134

 Sunt Sport
 9 16 272 272 273

 Sunt Sport
 9 16 273 274 274

 Sunt Sport
 9 16 274 274 274

 Sunt Sport
 1956829 4254 3084 4014

 Sunt Te
 155 1652 1244 124

 Switt Te
 17 155 1652 1244 124

 Syntumete
 9146279 1159 7074 71 -34

 Syntumete
 9146279 1159 7074 71 -34

 Syntumete
 212 20 40 171 1612 17

 Syntumfort
 0.02 25 3781 224, 794, 2742 2773 -36

 Syntumbor
 68 213 154, 1444 15 -32

 Syntumed
 252 52 514 435, 554 545 -312

 Syntumed
 253 252 514 436 55 9 +5
 Fat Hannel 1.18 12 187 294 283 29 Fuller/HB 0.64 14 562 36 341 354 Fuller/HB 0.68 13 147 211 21 21 21 21 -4 - X - Y - Z -FuturedADR 2 30 1 1 14 14 - G --44 = 2 170 25 242 244 +43 107 25 1005 2434 2342 2434 +142 2 18 242 246 244 +142 2 18 242 246 244 +142 1 130300 254 193 2058 -15 0 1030300 255 184 053 053 -15 0.19 4 155 74 674 674 -5 0.19 4 155 74 674 674 -5 0.42 17 28 1934 1934 1934 -4 13 103 652 657 652 +4 3 086 5 434 43 -4 3 086 5 434 43 -4 3 086 7 235 22 234 -5 G III App +**J**a G&K Serv 68 213 1534 1434 15 -12 25 582 518 434 518 +18 Gundos ふたちょう Garmet Ra Givery2000 Gehi Cp - T -**Geel Bind** Gentyle Genslaffi 4 556 3¹4 2⁷8 3¹4 +³8 0.84 18 2383 44 43¹2 43⁷2 +³8 T-Catific

144 104 341 15 13 13 13 13 13 13 144 104 344 345	Bostmart S 1.46 12 7325 404, 356 40 +14 Genetarth 3 806 5 44, 44, 44, 44, 44 - 14 Bostmart S 1.46 12 7325 404, 356 40 +14 Genetarth 3 806 5 44, 44, 44, 44, 44, 44 - 14 Bostmart S 1.46 12 7325 404, 356 5 40 +14 Genetarth 3 806 5 44, 44, 44, 44, 44, 44, 44, 44, 44, 4
	$ \begin{array}{llllllllllllllllllllllllllllllllllll$
Have your FT hand delivered in Generative Generative Gain the edge over your competitors by having the Financial Times delivered to your home or office every working day. Hand delivery services are available for all subscribers throughout Cyprus subject to confirmation by the Distributor. Please call MK Media Link Services on (02) 36 74 50 for more information. Financial Times. World Business Newspaper.	Duestada (100 77 miss 10, miss

• • •.• - *------

....

32

FINANCIAL TIMES MONDAY JANUARY 18 (2001)

MONDAY

European Parliament meets



The first session of the European Parliament in 1996 opens in Strasbourg to Jan 19). Italy, which has taken over the rotating presidency of the European Union, will

15

present MEPs its programme for the six months, during which the intergovernmental conference in Turin starts in March. The parliament will hear reports on the lobhying of MEPs and their financial interests, the EU's social policy programme and additives in foods.

UN mandate ends in Croatia

The UN mandate expires for 1,560 Belgian and Russian peacekeepers in eastern Slavonia, Croatia's last Serh-held region. The Security Council is to put forward a resolution for a deployment of up to 5,000 peacekeepers who will oversee the disarmament of the Serb forces and help the return of refugees to the area, which is now mainly Serb. Eastern Slavonia, the venue of some of the bloodiest battles in the 1991 Serbo-Croat fighting, will be under interim rule for up to two years before it returns to Croatian control.

Weapons deadline in Liberia

Liberia's 60,000 guerrillas are due to start banding over their weapons to ECOMOG, the Nigerian led West African peacekeeping force trying to end the country's long-running civil war. However, renewed fighting between the apparently uncontrollable militias looks likely to sabotage both the timetable for disarmament - the latest of many - and elections scheduled for August.

Drug barons face extradition



of the opium warlord Khun Sa face extradition proceedings in Thailand in perhaps the higgest blow yet to the Golden Triangle's heroin

Eleven associates

traffickers. Khun Sa's associates - a financial officer, refining manager, sales representative and several chemists - are almost certain to be sent for trial in the US.

Keating visits Malaysia

In the first official visit by an Australian prime minister to Malaysia since 1983. Paul Keating arrives in Kuala Lumpur, Mr Keating will talk with Mohamad Mahathir. his Malaysian counterpart. Two years ago, when he described Dr Matathir as "recalcitrant". Mr Keating provoked a diplomatic row

Tennis

Other economic news

Monday: As the markets

dehate the possibility of a

they will have a feast of fresh

In the UK, producer price

data is expected to show a fur-

ther easing of manufacturing

retail sales data should provide

added evidence of a weakening

economic climate. Retail sales

are likely to show a yearly fall in November, while the IFO

business climate survey is

German wholesale prices are

Tuesday: in Japan, wholesaie

prices data for December is

expected to highlight the disin-

Wednesday: Unemployment

and wage data in the UK is

likely to point to continued low

Thursday: Retail price infla-

tion is expected to fall back

slightly in December, while

retail safes show reasonable

in France, the release of GDP

data for the third quarter of

1995 is likely to provide further

signs of a slower pace of eco-

ACROSS

wage costs in November.

growth.

nonuc growth.

flationary clunate in Japan.

also likely to illustrate the

weakness of price pressures.

expected to be gloomy.

price pressures in December. Meanwhile, in Germany,

data to watch this week.

hroader economic slowdown.

Australian Open, Melhourne (to Jan 28).

NepaL Holidays and his impressions of the nine regions Milan accused of corruption. Mr Uister disarmament report G7 finance ministers meet Berlusconi, his brother Paolo and nine Compiled by Simon Strong. Guam, Japan, Malawi, Puerto Rico, Sri

Fri

Jan 19

Statistics to be released this week

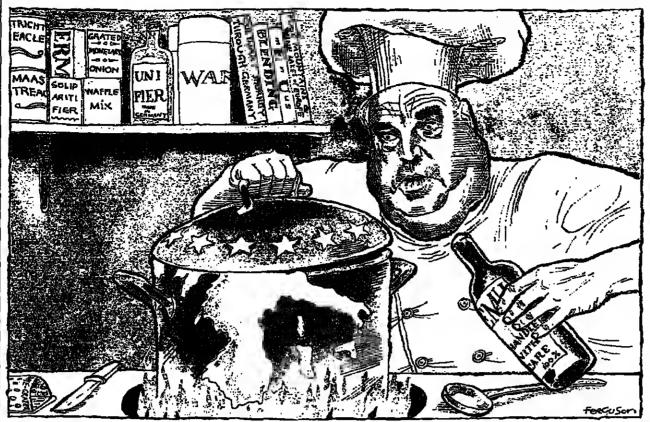
lively session.

Russia's revamped

Communist Party,

more than a third

which has won



Amid doubts about Germany's ability to meet EMU criteria, the chancellor, Heimut Kohl, is launching a plan for economic growth - and a cookery book.

TUESDAY

resume production.

Albanian president in China President Sali Berisha of Albania makes an official visit to China - the first hy an Albanian leader since the countries quarrelled in 1978 over communist ideology and a decline in Chinese aid. The talks (to Jan 18) will focus on increasing trade and resuming supplies to Albania so

Japan's SDP declares leader Japan's Social Democratic Party

announces the result of a leadership election in which 110.000 members are eligible to vote. The front runner is the chairman, Tomiichi Murayama, who resigned as prime minister 10 days ago. Mr Murayama wants to form a centre-left party with the left-leaning New Harhinger Party, which, like the SDP, is a junior member of the ruling coalition, His opponent is Tadatoshi Akiba, a member of parliament who has promised to support Ryutaro Hashimoto, the new prime minister and leader of the Liberal Democratic Party - whose annual convention is on Jan 18.

Kohl launches pot boiler

Statistic

Dec producer price indx Input*

Dec producer price indx input*

Dec producer price indx output"

Dec producer price indx output**

Nov mach ord ex-power, ship'nts"

Nov mach ord ex-power, ship'nts**

Dec overall wholesale price indx*

Dec overall wholesale price mdx**

Oct EU trade balance

Oct current a/c†

Dec unemployment

Oec average earnings

Dec leading indicators"

Dec retail price indx"

Dec retail price indx*

M2 wie Jan S

Dec retail sales'

Jon Philadelphia Fed not

Nov ex-EU trade balance

Dec unit wage costs 3-month

Dec public sector borrowing reg

3rd atr gross domestic prod final***

Ditto ex-mortgage int payments"

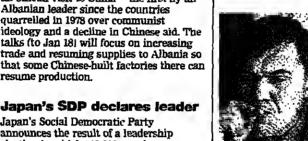
Dec domestic wholesale price mdr" -

Dec PPI ex-food, drink & tobacco** 4,4%

A cookery book with a print run of 60,000 is launched by the German chancellor, Helmut Kohl, and his wife, Hannelore, The hook, Culinary Journey Through Germany, glorifies the rohust German cuisine. While Mrs Kohl has collected the recipes, the chancellor has written introductions about the history, culture

ecipes. Proceeds from the book will go to the Hannelore Kohl Foundation, which helps finance research and treatment for hrain-damaged children.

New faces in Duma



16

of the seats, promises to make life tough for the government, Some new faces, such as Alexander Lebed, the former army commander, will also be keen to make their mark along with several other parliamentary party leaders harbouring ambitions for the June presidential poll.

Rugby union Wales v Italy in Cardiff.

FT Survey

Capital Sources - Year End Review.



Berlusconi stands trial Italy's former prime minister, Silvio Berlusconi, the media tycoon who leads

Actual

-0.1%

8.2%

0.2%

4.3%

4.8%

11.8%

4.6%

0.1%

0.0%

-0.7%

L1.6Tr

L3.6Tr

FFr2.9br

-20,000

3.25%

3.7%

£3.7bn

0.3%

11.3

\$2.3br

0.2%

0.0%

3.1%

2.9%

0.8%

the Forza Italia movement, goes on trial in

the former prime minister's Fininvest husiness empire paid hribes in return for lenient tax audits. The defendants claim the payments were extorted by unscrupulous tax police.

Ecuador-Peru border talks

Almost a year after their countries' border skirmishing left dozens dead on each side, Ecuadorean foreign minister Galo Leoro visits Lima for talks with his Peruvian counterpart, Francisco Tudela. The meetings come amid mutual accusations of an arms huild-up. Ecuador is acquiring Israeli-huilt Kfir jet fighters while Peru is suspected of secretly rearming with weapons from Ukraine.

Masako of Japan will attend a memorial service for the more than 6.300 people who died because of the earthquake that devastated the city of Kobe a year ago.

The judicial review of the Independent Television Commission's award of Britain's new Channel 5 television franchise opens in the High Court. Virgin Television argues it was unfair to award it to Channel 5 Broadcasting, a consortium linking MAL Pearson - owners of the Financial Times - CLT of Luxembourg and Warburg Pincus of the US. The other unsuccessful bidders also hope to put their case against the decision.

THURSDAY

SATURDAY 18

Mitchell, the former US senator, appointed hy the London and Duhlin governments to look into the issue of paramilitary weaponry. Mr Mitchell, who heads a three-man panel set up to resolve the difficulty of the IRA's refusal to start disarming ahead of all party talks, has met hoth governments and all the parties in a hid to find a formula to unblock the way to substantive discussions on Ulster's constitutional future.

FT Survey Eritrea.

والمتعارضة والمتعار

FRIDAY

Aznar sniffs victory in Spain Confident of gaining its first general

election victory in six weeks' time. Spain's centre-right Popular Party opens its congress under the slogan "The Centre Wins". It is expected to focus as much on lambasting the Socialist government over scandals as on defining the party's own programme for economic growth. administrative reform and hudgetary virtue. The party, led hy José Maria Aznar, is desperate to rally momentum for an outright parliamentary majority.

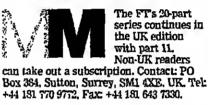
UK bill to clock on to Europe A hill to move

backing of husiness leaders, the police and safety organisations. Mr Butterfill believes clocks should be synchronised with central Europe, giving lighter evenings hut darker mornings. The hill is likely to be sabotaged hy Scottish MPs who do not want dawn delayed during winter.

CIS summit in Moscow

Leaders of the 12 former Soviet republics belonging to the Commonwealth of Independent States hold a summit in Moscow. The Kremlin's attitude may indicate if Boris Yeltsin, the Russian president, plans to adopt the Communist Party's policy of recreating the USSR.

Mastering Management



Holidays

Ethiopia, Korea,

把注意和法的问题。198

Actual

1.3%

-Pta 166bri

1.8% rev

Pasok parliamentary deputies - who can

France v England in Paris and Ireland v Scotland in Duhlin.

Motor racing Monte Carlo Rally (to Jan 26).



Piquant, after a fashion

The Paris haute couture houses kick off their season at the weekend with Versace showing off his latest ideas for those happy to pay £5.000 for a frock (to Jan 25). Excitement centres on the first collection of the British designer John Galliano for Givenchy, known for its old-style couture and recognisable elegance. That some of the world's most expensive clothes for the world's most elegant women should be produced by a hizzarrely clad, dishevelled Brit gives added piquancy to the season.

Ramadan

The Islamic month of fasting, Ramadan, begins although the precise timing lepends on the crescent of the moon.

Holidays

 $\mathbf{20}$

Foreca

0.3%

5.9%

0.8%

4.1%

-3.3%

3.7%

0,0%

-0.3%

L1.3T

12.61

FFr2.8bn

-10,000

3.5%

4.0%

£550m

0.2%

-\$3,3bn

0.2%

0.4%

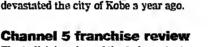
3.0%

2.8%

0.7%

Russia's Duma, the lower house of parliament, sits for the first time since December's elections in what is expected to he a

Memorial service in Kobe **Crown Prince Naruhito and Princess**





Extra Bill, which has cross-party support, enjoys the

19

Rugby union

Albania, Azerbaijan, Korea, Mali,

Five Nations championship begins with

has been critically ill since November.

claim he is recovering. Mr Papandreou, 76.

elect a new prime minister - and party organisations want Mr Papandreou out before February, However, his wife, Dimitra, and several cahinet ministers

Pasok debates Papandreou The 150-member central committee of Greece's governing Panhellenic Socialist Movement meets tto Jan 21) to resolve the impasse caused by the refusal to resign of the prime minister, Andreas Papandreou.

More than 1m Palestinians are registered to vote. With Islamic and secular opposition parties boycotting the election. in which most of the 676 candidates are independents. Yasser Aralat's Fatah faction is expected to romp home. He is also almost certain to be elected president of a Palestinian executive authority.

St. 7. 12

Palestimuus in the

West Bank and

Gata Strip (e) b)

the polls for the

ss-member

legislative

ambority, a de

farto parliament.

first time in their

history to elect an

troatie

eek Lo

ach.M

Green ELLT

paparation

agent bard

fear and a second

10000 3112

701.201

2

· . · .

2

ъ.

Frank

10.00

German N. J. m. 100

italiza presidente la

Banca Popular :

Sotback at Natio

213

1 - -

1.1

e 741

W7 9 .

 $H_{\rm eff}$

.

l tre

8

366 .

"Turry .

1 A .

1.01

cheza ...

El liman

£.00

Sec. and

Profit Sugar

· ·

 $\pi_{\mathrm{Kav}} :=$

VI-10

.....

B STOCK MAPA

STOCA Realing Grace

anote sul (

. .

a us RATE

DINER RATE

×.

Sec. hr.:

22

1. Cr -10 10 10

HORTH

ne inclus

Widow adrau

6

Lan .

EA-Generali p

Approval close er

ill have

4

Acres a re

Garman a visite

funance ministers and central back

governors from the Group of Seven

government in Lyon in June.

leading industrialised nations in Para-

The meeting will help set the agendance

the more formal meeting of G7 beaches?

Palestinians go to the polis

Lanka, Virgin Islands.

Rela

Mon

Tues

Wed

Thur

Jan 18

Jan 17

Jan 16

Jan 15 UK

County

UΚ

UK

UK

UK

Japan

Japan

Japan

Japan

Japan

Italy

Itaty

UK

UK

UK

UK

บร

us

UK

Uh

UK

UK

France

Canada

France

featured. Stuffed pig stomach, one of Mr Kohl's favourite dishes, is among the ECONOMIC DIARY

others face charges over allegations that

Country

Germany

Germany

Spain

During the week.

17

Northern Ireland awaits the release of a report on disarmament by George

Exchange rates and aid for Bosnia are likely to be among the issues discussed by

Fax: (+44) (0)171 873 3194.

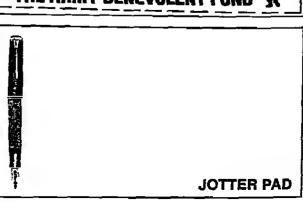
Soldiers are there when you need them...



se be there when they need you

ny Benevolent Fund provides help to any man or woman and their families if they are serving or have served in the British Army and are in real need. This help is given in two ways: through grants to supplement Corps or Regimental aid and by financial support to over 70 national charities providing for the special needs of those in distress.

Our overall aim is to bring help to the many cases where state assistance is inapplicable, att a inadequate or unable to meet the immediate need. HEADDRESS SADGES OF THE BRITISH ARM Your donation, covenant or legacy will provide invaluable assistance for those who served their country. TODA Please help them in their hour of need. - Pån To: The Army Benevalent Fund, Dept. FT, 41 Gaussi's Gale, London SW7 5HR We owe a lot to the soldiers woo longit so hard for our transform and our future a us. I would live to make this contribution to help those of them who are in need lendise a donable of 100 150 cas Omer C s:/Vea/ChamyCard No Every Date Please send me details on making a legady or how I could donair grougs P Please send me ____ ___ A2 colour posters showing cap badge of Today's Army Lenclose 5____ _ (C2 per papy including) Date Protection Act: We may eccessionally with to Contact your about our work. If you Put we do Act, please text the Dox. C1. Rendered Data THE ARMY BENEVOLENT FUND



UK	Dec retail sales"	1.5%	1.1%	
Italy	Nov producer price indx**	7.8%	7.9%	_
Italy	Nov wholesale price indx"	10.7%	10.8%	
Canada	Nov manufacturing shipments"	0.2%	-1.6%	
US	Jan Michigan sentiment pretm		91.0	
Јарал	Nov indust production (rev)†		1.3%	
Japan	Nov shipments (rev]f		2.1%	
Japan	Jan wh'sale price indx, 1st 10 days	-	0.0%	27
Japan	Dec broad money supply (M2+CD)**	3.5%	3.5%	and the second
Japan	Dec broad liquidity**		4.3%	1 1 H 1 1 1
Italy	Nov industrial production**	6.0%	8.0%	
the week				
Japan	Dec trade balance (customs cleared)	\$11.6bn	\$13.0bn	· · · · ·
Germany	Nov retail sales**	-	-4.0%	
Germany	Nov retail sales, real"	-2.0%	-5.0%	Please
Germany	Dec IFO business climate West	·	94.a	The Arm
Germany	Dec wh'sle price ind pan-Germany'	0.2%	-0.1%	their familie and are in n

2.2%

Forecas

Germany 7.8% Dec private indig 6-mth annualised 7,5% Germany Dec producer price indx, West* 0.2% 0.0% Germany Dec producer price indx. West** 1.2% 1.3% Germany Dec prod price indx, pan-Germany* 0,1% 0.0%

Dec M3 from 4th gtr '94 base

Dec budget balance

nonth on month, "year on year, ""qtr on qtr, †seas/adj Statistics, courtesy MMS international.

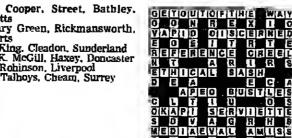
Dec prod once indx, pan-Germany** 1,3%

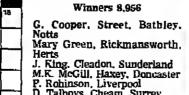
MONDAY PRIZE CROSSWORD

No.8,967 Set by VIXEN

A prize of a Pelikan New Classic 380 fountain pen for the first correct solution opened and five runner-up prizes of 253 Pelikan vouchers will be awarded. Solutions by Thursday January 25, marked Monday Crossword 8267 on the envelope. to the Financial Times, 1 Southwark Bridge, London SE1 9HL. Solution on Monday January 29. Please allow 29 days for delivery of prizes.

Addres Winners 8,956 Solution 8,956 Cooper, Street, Bathley. J. King. Cleadon, Sunderland M.K. McGill, Haxey, Doncaster P. Rohinson, Liverpool D. Talhoys, Cheam, Surrey I E O



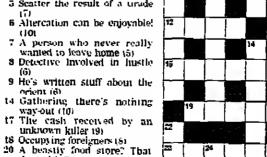


and the second second



storage furniture (9) Capital investment in something like pigs (4) 5 Scatter the result of a urade 6 Altercation can be enjoyable! (10) 7 A person who never really wanted to leave home (5) 8 Detective involved in hustle

- 9 He's written stuff about the orient (6) Gathering there's nothing way-out (10) The cash -t7 unkvown killer 19)
- denetvds:
- ture, takes a reading (S) 30 Making such a suit a man
- needs expertise (6)



- 2) Do away with sound winter transport (6) 22 Rushed policemen can get
- 24 Giving a doctor tea or coffee 26 A viewer's complaint (4)

Nam

- DOWN 1 A dispiriting account hosts new lines (3-5) 2 Oue's set right concerning t Blow that oarsman! (6) 4 Continues to make nett profit
- 10 Topping dormitory (east? (9) 11 Admitting few in accord will
- appear sheepish (5) 12 A joiner creating a row (1) 13 Speculate about the way a woman reads the newspaper
- t5 Dealing with trank retund (7) 16 It goes badly for the self-cen tred individual (6)
- 19 Lucking spirit, want direction
- 21 Dull club for evening out (3-4)
- 23 Notice a government official's conduct (10)
- 25 Some Astan reation's old comage (4)
- 27 Work in the Channel Islands producing plants (5) 28 A game of no great impor-
- 29 Getting rol of unwanted mois-

offensive (6)



